

JPRS-WER-84-059

16 May 1984

# West Europe Report



FOREIGN BROADCAST INFORMATION SERVICE

#### NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

#### PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

16 May 1984

## WEST EUROPE REPORT

### CONTENTS

#### ARMS CONTROL

##### EUROPEAN AFFAIRS

###### Commentator Reviews Debate on Independent European Defense

(Antonio Gambino; L'ESPRESSO, 1 Apr 84)..... 1

##### NETHERLANDS

###### Den Uyl on Acceptance of Cruise Missiles

(Joop den Uyl Interview; LE PEUPLE, 29 Mar 84)..... 10

#### POLITICAL

##### EUROPEAN AFFAIRS

###### Sean McBride: Multinationals, Press Empires Maintain World Tension

(Sean McBride Interview; HUMANITE DIMANCHE,  
27, 29 Apr 84)..... 12

##### AUSTRIA

###### New Socialist Youth Leader Gusenbauer on Party's Leadership

(Otmar Lahodynsky; PROFIL, 2 Apr 84)..... 15

##### DENMARK

###### Schluter Increasingly Concerned Over Fate of Center-Democrats

(Hans J. Poulsen; BERLINGSKE AFTEN, 30 Mar-5 Apr 84)..... 19

## SPAIN

- Gonzalez on Relations With Brazil, Politics, Technology  
(Felipe Gonzalez Interview; O GLOBO, 8 Apr 84)..... 24

## SWEDEN

- SDP, Communists Again Have Majority According to SIFO Poll  
(SVENSKA DAGBLADET, 1 Apr 84)..... 31

Liberal Party Drops, by Hans O. Alfredsson  
Economy Boosting Palme, by Gunnar Andren  
Problems Ahead for Palme, Editorial

## TURKEY

- Prosperity Party's Tekdal on Political Prospects  
(Fatih Agan; MILLI GAZETE, 8 Apr 84)..... 39

## MILITARY

## DENMARK

- Copenhagen Civil Defense Commission Expands Training  
(Jorgen Holst; AKTUELST, 30 Mar 84)..... 43

- Folketing Defense Committee Chairman Defends Plan Goals  
(Frode Nor Christensen; AKTUELST, 31 Mar 84)..... 45

- Defense Minister Engell Rejects Leftists on Planning Panel  
(Lisbeth Knudsen; BERLINGSKE TIDENDE, 1 Apr 84)..... 47

## SWEDEN

- Soviet Press on Sub Incidents Gleaned for 'Message'  
(SVENSKA DAGBLADET, various dates)..... 48

Soviets Given Detailed Information, by Lars  
Christiansson  
PRAVDA Blames NATO Submarines, by Bobo Scheutz  
Soviet Reports Analyzed, by Mats Svegfors  
Socialist Party Organ's Views, Editorial  
Swedish Psychological Reactions Studied, by Ann  
Rehnberg



## ECONOMIC

### BELGIUM

- Hansenne on Efforts To Create More Jobs  
(Michel Hansenne Interview; LA LIBRE BELGIQUE,  
29 Mar 84)..... 57

### FEDERAL REPUBLIC OF GERMANY

- Inadequate University Structures Hamper S&T Innovation  
(Rainer Burkhardt; WIRTSCHAFTSWOCHE, 13 Apr 84)..... 61

### TURKEY

- Rising Inflation Brings New Round of Price Hikes  
(CUMHURIYET, 8 Apr 84)..... 77
- Mumcu Eyes Price Hike Impact on Middle Class  
(Ugur Mumcu; CUMHURIYET, 8 Apr 84)..... 79

## ENERGY

### AUSTRIA

- Expert on Energy Needs, Supplies, Policy Changes  
(Herbert Kaes; WIENER ZEITUNG, 11 Apr 84)..... 81

### FRANCE

- Ambitious Photovoltaic Solar Energy Program  
(ELECTRONIQUE ACTUALITES, 16 Mar 84)..... 85

## OCEAN/POLAR ISSUES

### FRANCE

- International Seminar on Undersea Mineral Resources  
(AFP SCIENCES, 29 Mar 84)..... 88

## ENVIRONMENTAL QUALITY

### . FRANCE

- Secretary for Environment on Air Pollution Control Goals  
(AFP SCIENCES, 23 Feb 84)..... 90

## COMMENTATOR REVIEWS DEBATE ON INDEPENDENT EUROPEAN DEFENSE

Rome L'ESPRESSO in Italian 1 Apr 84 pp 46-55

[Article by Antonio Gambino: "Never Again Without the Big Guns"]

[Text] Western Europe has roused from its "Atlantic drowsiness" and has started talking about the kind of defense the continent should have. Should it be a conventional European defense? Here is how the arguments are running in Rome, Bonn, London, and Paris.

We still don't know, and maybe we shall never know the real reasons (a simple desire for technological "modernization," a quest for a "bargaining-chip" weapon to barter for withdrawal of the advanced American strategic forces from Europe, or a hope that they can intimidate Western Europe -- or even all three of those factors) why Russia decided in the spring of 1977 to deploy its SS20 missiles. One thing, though, is certain, and it is that the appearance on both sides of the Urals of the new Soviet medium-range missiles has evoked heated reactions in the western half of our continent -- not only political and military, but intellectual as well. This Europe which, albeit to varying degrees of somnolence (and Italy was certainly among the deepest sleepers of all), had long been lulled in the cozy cocoon of the NATO structures, has been forced -- for the first time in more than 30 years -- to do some hard re-thinking about its own defense problems.

To put it briefly, from Hamburg to Comiso, from Liverpool to Athens, a "great debate" has begun: it is invariably heated, often confused, sometimes violent, but always and unquestionably important. The object of this inquiry, ranging from Bonn to London to Paris, is to get some idea of both the thinking and the mood prevailing, since the Pershing II and cruise missiles were introduced here, in the three leading Western European powers, and what political consequences they may engender.

#### West Germany

The atmosphere that prevails in Bonn is that of a quiet but deep and sincere overall re-thinking, a process that cuts across party lines and in which even some of the "Greens" are caught up. The ongoing debate over the nuclear issue that has lasted over a period of

several years, and which has reached a decibel level and intensity unheard elsewhere, has in fact led most of the German ruling class to the conclusion that some fine tuning is called for in the Federal government's position on defense issues.

The first demand -- on which there seems to be all but perfect unanimity -- is drastic reduction and eventual total elimination of any role for the tactical nuclear weapons which, even now, and by the thousands, are deployed on Federal German territory. Having lived for years with the prospect of nuclear holocaust, and having perforce asked themselves the dreadful question of what would happen if deterrence failed ever since 1977, most Germans now have come to understand -- with a perspicacity they have never before displayed -- that these weapons, despite their benign names (and the modest scale of the systems that support them -- since many can be fired from conventional artillery), if they were ever used, would mean nothing more or less than the all but total destruction of their country. At most, these weapons could "defend" France, Italy, or, even better, America. Not Germany. There, any nuclear exchange, even of weapons of "a single" kiloton, would mean several tens of thousands of people killed or, to put it another way, the elimination of those very assets whose "defense" is alleged to be their mission.

This widely shared aspiration is of course expressed in disparate ways and patterns. For the Greens, getting rid of the tactical nuclear weapons is only one aspect of a far broader plan, which envisages a withdrawal from NATO and renunciation of all forms of defense with the exception of "civil" defense. In the Social Democrats' view -- although, as I was told by Andreas von Bulow who is their spokesman in the Bundestag on military issues -- embodies a "general philosophy" on such matters, but no clear-cut political line -- elimination of tactical nuclear weapons should be part of an overall plan for the perhaps gradual removal of all nuclear weapons from Central Europe along the borders between the two blocs, like the process called for under the "Palme Plan (see map). The parties in power tend to pose the problem in essentially technical terms (scrapping weapons that are already obsolete, and hence dangerous to have around); and they underscore the point that their removal from Germany has already begun on the initiative of the Americans themselves. Even the men who speak for the two Christian Democrat parties (CDU-CSU) and the Liberals will admit, however, that the fundamental requirement is to "raise the nuclear threshold" and get out of the untenable current situation in which a massive Soviet attack, even without nuclear weapons, could be repulsed by the West only by resort within the first 24 hours to tactical nuclear weapons.

Another widely perceived requirement -- and one which is, furthermore, intimately linked at the logical level with the one just cited -- is to make the Atlantic conventional defense system more credible. And there is also agreement on the fact that this particular chore is one that falls first to the lot of the Europeans, to

the point that both Christian Democrat Chancellor Helmut Kohl and Social Democrat leader Willy Brandt have spoken repeatedly of the need to erect a "European pillar" as part of the NATO bastion.

This unanimity, however, does not rule out even considerable differences in approach. As the Social Democrats see it, the desired end should be achieved primarily by demonstrating to the Soviets -- as we were told by Egon Bahr, co-author with Brandt and Wehner, of Germany's Ostpolitik of the Seventies, and one of the most respected theoreticians in the current Social Democratic leadership -- the need, in a world at whose heart already lurks MAD (mutual assured destruction), for some kind of "collaboration for safety." In practical terms, that could emerge in a serious step or two ahead in the years-old Vienna negotiations on bilateral and balanced withdrawal of non-nuclear armed forces from Europe. Bearing in mind the fact that the West, by comparison with the USSR, holds a decided edge both technologically and politically (since the loyalty of troops from the minor Warsaw Pact countries is by no means assured), it might be feasible, in Bahr's judgment, to arrive at a situation in which Western Europe, beginning with Germany, could assure its own protection with conventional weapons alone, with a tacit "deterrent" in the background against any Soviet notion to use nuclear weapons in the form of threat of a possible American (and French) response with missiles of the same ilk.

The parties in power, however, are aiming first at quantitative and qualitative reductions in their conventional defense system, and they perceive in active collaboration with France -- which might be extended to include the other Western European countries as well -- the first step along that road. At the same time, though, they want to move with extreme caution: and not only for economic reasons (conventional weapons these days cost a lot more than do nuclear arms), but also for political reasons. Everything, in the judgment of the men who currently lead the Federal Republic, must be done to make sure that the Americans -- already deeply suspicious of Europe and long prey to an inchoate resentment toward Europeans -- do not come to perceive West Germany as a country that no longer believes in the Atlantic Alliance, or as one that is actually considering trading in the American nuclear umbrella for the French model.

Hence, in conclusion, there is a profound process of rethinking afoot, and one which is certainly destined to continue, on the part of almost the entire West German political class. Somewhere in it all, though -- and not only among the conservative parties -- is a reflection of the malaise and apprehension of a country which, in spite of its great strength and vitality, is not only living on the most sensitive border between the two blocs, but cannot forget that it is divided, and still poignantly feels the burden of its own past.



## England

The hour-long flight that carries us from Bonn to London moves us into another political picture, into another context of ideas and sensitivities. Nor ought that to be surprising. Even though almost all English politicians and intellectuals these days vie in their protestations of having long abandoned any claim to a "special relationship" or any hope of a special and unique tie to the United States, the fact remains that Great Britain looks at Europe -- with more or less interest, according to circumstances at any given moment -- but does not feel that it is part of Europe. That is an attitude which reflects a tradition and a psychological habit that are far too ingrained to be discarded anytime soon. Then there is also its geographical position. The fact is that while West Germany is keenly aware that any European conflict between the superpowers would not only involve it, but would be fought out on its territory, and while even the other continental powers are by no means unaware that they would not be likely to escape that same fate, England can cling to the belief that, even in such a scenario, it could somehow, albeit under far from ideal circumstances, stay on the sidelines. The upshot is that, if we except the handful of dedicated Europeanists (scattered through the various policy and strategic institutes and present as well in more than a few spots in the Foreign Office), the prevailing attitude is one of vague detachment, which is also reflected in the low level of excitement in the debate over Europe's military future.

Despite all of this, there are a few perceptible signs of change. Not so much in the government's stance, given that Mrs Thatcher seems to be governed by her personal animus toward the EEC, and looks with suspicion, for economic reasons, at the idea of beefing up conventional defenses in Germany, as in the opposition parties. David Owen, leader of the Social Democrats, supports the plan to denuclearize Central Europe and the consequent concerted effort in the nuclear area; and David Steele, who leads the Liberals, favors a European diplomatic initiative, which could not only bring the two superpowers back to the bargaining table, but could also use that forum to posit a common European position.

More complex, but by no means static, is the Labour position. The crushing defeat it suffered in last June's general elections has set off a revisionist process in the Labour Party involving not only the top leadership but the political line as well. Among other things, it has led to a change of attitude toward the EEC (which the Labour people had promised to pull out of in the event of a victory at the polls).

In the military policy field, I was told by Roy Hattersly (elected last fall as Labour's deputy leader), the situation is not all that clear-cut. Quite the contrary: cheek by jowl in the Party stand advocates of disparate views ranging from the neutralist,

most frequently voiced by the organization activists, to the para-Gaullist view held by many union members and rank-and-file Party members. The common given, however, is widespread anti-American feeling. This is something new, given the fact that traditionally the Labourites, less nationalistic than the Conservatives because they lack the shared memories of bygone imperial grandeur, have tended strongly to trust the United States. What has struck them over the past 3 years, though, has been the rigidity of Reagan's policy, and particularly his references to the possibility of limited nuclear war in Europe. This state of mind, Hattersley told me, has been manifested in the recent past by Britain's unilateralist pacifist attitude. That is not to say, however, that at some future time it might not be channelled in a new direction, contributing to the emergence, in the area of defense, of a European position different from the American stance, but not necessarily ready to stake everything on the good intentions of the USSR.

These are intriguing hypotheses, but still wholly undefined. They lead one to think that Britain will perhaps not remain wholly extraneous to the birth of the embryonic European military pole, but that it is not very likely that it will be able to contribute anything, even in the way of practical and useful ideas, to its development over the next several years.

#### France

The new note that you hear at once on arriving in Paris is that of people saying and holding forth out loud the same concepts that are being discussed with keen interest, but also with great caution, in Germany, and which in England continue, despite everything, to be the intellectual divertissement of a handful of experts.

The statements from Mitterrand and some of those closest to him are in fact (and increasingly so as the months go by) very specific: Europeans -- except of course for the French -- found the long drawn-out trial of strength over the Euromissiles so traumatic because they felt powerless, both vis-a-vis the Soviets, who were threatening them with the SS 20s and vis-a-vis the Americans who were offering (make that thrusting upon them) their Pershing 2s and cruise missiles, whereas things would have gone much differently if, instead, Europe had managed this whole business in the first person; a greater European presence in the military field is therefore indispensable if we are to get out of this lopsided and negative situation; it is also requisite if we want to get the process of integration, which for the moment seems to have bogged down completely, going again.

If, in the course of private conversation, you try to explore these concepts in some depth, you find yourself looking at a more various scene. In talking about a concerted European defense effort, the present government of France is not thinking about any plan that

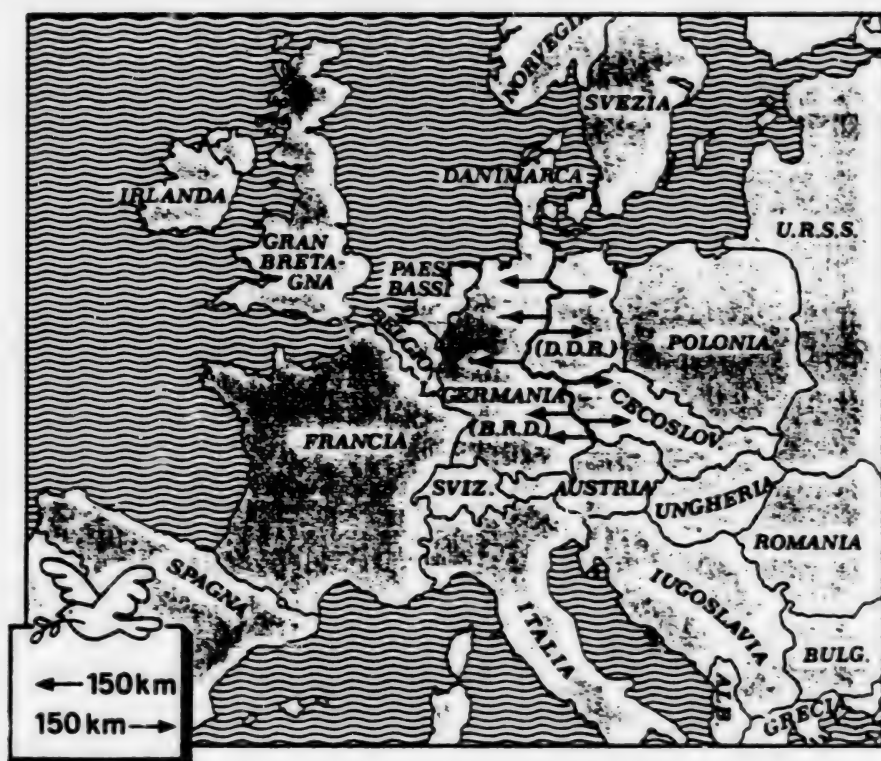
could take substantive form within the next few years. That government believes, however, that both politically and psychologically (to make sure that Western Europe, after having come through the last 4 years' test of wills with flying colors, does not fall into the state of abulia typical of those who entrust their own destinies to others) it is vitally necessary to start moving as quickly as possible. Furthermore, it is evident that this military collaboration can deal only with the conventional sector, the only one in which any form of integration and collective responsibility is possible, inasmuch as the nuclear weapon is, by definition, wholly national, and because it requires centralization of the ultimate decision ("La dissuasion, c'est moi," quipped Francois Mitterrand not long ago, and his sally made a lot of people smile, but it deftly describes this intractable aspect of nuclear logic), but because its use can be credibly threatened only when the ultimate and vital interests of the individual State which has it are in immediate peril.

In the conventional area the steps to be gradually climbed are many, starting from an institutionalized consultation on the matters of military policy and from cooperation in the area of weapons production, so as to arrive (probably in no fewer than 10 to 15 years) at the definition of a common strategy and at the creation of an integrated command: a command in which France, which demands complete autonomy for its own nuclear force, would be perfectly ready and willing to participate.

At the same time, Mitterrand and his advisers are convinced that the "setting" in which to try to get the process going is not and cannot be that of the European Community, if only because its members include some countries that are neutral (like Ireland) and others that are on the record as strongly opposed to anything of the kind (like, for different reasons, Greece and Denmark). A more suitable setting might thus be the Western European Union (WEU), whose members include the six EEC founding nations plus Britain. The main thing, though, is somehow to take a few steps forward, establishing specific patterns of understanding among all who, in a specific sector, feel that they have interests in common. This approach would be a sound one, first of all, for the matter of weapons production (especially the new weapons, the "smart weapons," whose costs, particularly research costs, are far too high for any single nation to carry); it would also work for the project of a European space station, lack of which, before very long, could deprive the nations of the old continent of the capacity to use the missiles they possess effectively.

Meanwhile, pending the day when other partners step forward, the French are trying, by dusting off the Elysee Treaty (signed in 1963 by De Gaulle and Adenauer, but thus far a dead letter) to set up solid contacts in all these areas with West Germany; that country, while not willing to make any over-controversial moves, itself has reason to help a development of this sort get started.





Map shows the denuclearized zone in Central Europe according to the plan put forward in 1982 by the Palme Commission.

There is one last point to be made here: in the judgment of the current French leaders, such a program should not involve -- let's not say the elimination, but let's say even the weakening -- of the Atlantic Alliance. Erection of a military pole should rather serve to give Europeans back a sense of direct responsibility for their future, to eliminate, through strengthening the conventional structures, the manifestly absurd concept of "defending" a territory by means which would also inevitably entail its destruction.

It's no good trying to dodge the fact that these ideas, repeated month after month with heightened decisiveness (and which, be it noted, meet with the quasi-total consensus of the French political class, enjoying the support of both Chirac's "Republicans" and Giscard's "Democrats") puzzle a lot of foreign observers and even quite a few French intellectuals, who attribute Mitterrand's insistence on these issues to political considerations. Among these the four most frequently cited are: 1, the need to call public attention to the impending European elections so as to prevent or at least to contain the probable decline in Socialist fortunes; 2. the desire to keep the Communist Party under pressure and in an uncomfortable position, even though it is party of Mauroy's government; 3. the unswerving determination to keep West Germany "coupled up" lest, as Mitterrand and for that matter every one of his fellow-citizens fear, it should start slipping toward neutralism, which would strip France of a "glacis," an essential protective structure, and would again place France on the front line, facing the potential enemy (the USSR); 4. the

unwavering desire to use Europe to stimulate French production, and to continue to use financing from abroad to foster the growth of its cutting-edge high-tech industries.

Only an innocent could deny that there is a modicum of cogency in those considerations. But the question we should be asking is this: admitting that this is, at least in part, the way things are, and that, in particular, there is in the whole thrust of Mitterrand's current military policy more than a soupcon of French nationalism and opportunism (more than would be desirable), this closes the question (and can, to cite only one example, justify the Italian tendency routinely to prefer industrial collaboration with the Americans)? Or mightn't it be closer to the truth to say straight out that the "French locomotive" in the European area is nothing but smoke, save what we can of its good points, and start all over with a proposal for more balanced collaboration?

In any event, the future looks uncertain. There are, even so, a few basic givens which, albeit slowly and tortuously, are emerging from the debate and the emotions of the past few years. These basic givens can be summed up as follows.

I. Europeans are beginning to realize that NATO's current doctrine, based on the Washington government's guaranteeing the continent's nuclear defense, is now quite meaningless. The truth is that that doctrine has been obsolete for more than a quarter-century, as of the day (back in August 1957) when the Soviets, testing their first intercontinental ballistic missile, put an end to the invulnerability of the United States. Since then, we have all been living on borrowed time, even though we may not have been aware of it. That awareness -- as often happens -- was suddenly catalyzed in the course of the current crisis. Without challenging the need for the Atlantic Alliance again, this means that we must strike a new balance within that Alliance.

II. While it is not very likely that the United States, in order to defend Western Europe will use nuclear missiles capable of hitting the Soviet Union (be they long-range missiles launched from American soil and nuclear submarines, or Pershing 2 and cruise missiles deployed in Italy, Britain, and Germany), it is by no means so unlikely that the Washington government, in case of a massive Soviet attack, might decide to use tactical nuclear weapons, now deployed along the borders between the two blocs, while retaining the option to resort (or not) to strategic weapons. This scenario, specifically linked with the use of tactical nuclear weapons, is the assumption of a limited nuclear war in Europe. It is a scenario that concerns first of all Germany, but also -- given the small dimensions of potential battlefields -- every other nation on the continent. And it is something we must strive to render less likely.

III. The way to reach this goal lies in pulling back from the front line by reducing and finally eliminating tactical nuclear weapons. That, however, would presuppose reinforcement of conventional deployment, specifically through the development of such new weapons as can give Europe a far more potent defensive capability. This is an approach which, because it demands enormous outlays of money, will impose a concerted effort on both the financial and technological levels. Western Europe is thus called upon to "put itself together," to develop a reasonable number of integrated structures, and the imperative driving that galvanic reaction is the need to build itself a credible defense. This, however, like all ethical-cum-political thrusts, lacks the urgency of absolute necessity. As they squabble over milk and wine and garden truck, European nations may very well fail to get the process going, choosing to cling to the increasingly rickety equilibrium they have now, and somehow to prop it up for a while yet.

IV. There is, however, no chance whatever for collaboration at the nuclear level. This is simply because nuclear weapons, as we noted earlier, are by definition national: they demand a single, central decision-making entity, and they can be made available for use solely in defense of the interests of a single nation. Europe, therefore, can have a nuclear arsenal of its own only when it becomes a nation. According to Healey's theorem (named for the former Labour defense minister, which says: "It would take no more than a 1-percent probability that the United States would use its H-bombs to defend Europe and that 1 percent of the US missiles fired would strike the Soviet Union to make the Soviet leaders scrap all offensive plans"), and bearing in mind the fact that the French "deterrent force" is a force to be reckoned with, we have every right to believe that a Western Europe equipped to thwart any conventional Soviet attack with conventional weapons of its own could feel adequately secure. And, given the world we live in, we can hardly hope for more than that.

6182

CS0: 3528/81

## DEN UYL ON ACCEPTANCE OF CRUISE MISSILES

Brussels LE PEUPLE in French 29 Mar 84 pp 1, 3

[Interview with former Minister Joop den Uyl by Helmut Brueck-Bergen; date and place not specified]

[Text] According to certain rumors, Holland is currently negotiating a reduction in the number of cruise missiles to be deployed in its territory.

If true, there would certainly be political repercussions in Belgium. It is hard to imagine the Belgian Government accepting more missiles than our neighbor to the north. In an effort to find out more about this problem, we interviewed Joop den Uyl, former prime minister and leader of the opposition. He kindly granted us an exclusive interview.

[Question] Mr Joop den Uyl, we follow events in the Netherlands closely, and certain rumors lead us to believe that your government is currently negotiating to reduce the number of cruise missiles to 16. Do you have any further information on this subject?

[Answer] Our prime minister brought up that problem 3 months ago during a public discussion. We therefore assumed that he had discussed it with Washington. He denied it, but all the same, it is significant that the secretary general of NATO, during his farewell visit to the Netherlands, said that reducing the number of cruise missiles to be deployed in the Netherlands did not seem impossible if NATO felt that the total of 572 missiles intended for NATO could be reduced.

The deployment of 16 cruise missiles would be achieved with the understanding that a positive outcome of the negotiations might later bring the number to zero.

[Question] All the same, wouldn't that mean giving the Netherlands favorable treatment?

[Answer] Obviously, but we feel that the gesture might facilitate a positive decision by the Dutch Government even though the majority of the population is categorically opposed. It would be window dressing aimed at saving the current conservative government and ensuring execution of NATO's two-track decision.

Window dressing is underway in another area as well. My country is currently responsible for six nuclear missions. With NATO's agreement, Holland will abolish the nuclear mission involving surface-to-air missiles of the Nike type (actually, that type of weapon will be replaced by more sophisticated American Patriot missiles, which the government has decided to buy) and will no longer be responsible for maintaining the nuclear land mines or the nuclear antisubmarine mines. We will keep only three nuclear missions: those assigned to aircraft, the field artillery, and Lance-type surface-to-surface missiles.

All of that makes it possible to talk about an important step toward the denuclearization of our armed forces. It is obvious that no is deceived by this maneuver. The government's goal, regardless of window dressing, is to accept the deployment of cruise missiles in our territory.

[Question] Don't you feel that this will cause certain problems with our allies in NATO and especially Belgium?

[Answer] To tell the truth, I find it hard to imagine the Belgian Government accepting favorable treatment for the Netherlands--and, along with it, a new, less balanced dividing-up of deployment and therefore of risk.

11798

CSO: 3619/57



SEAN MCBRIDE: MULTINATIONALS, PRESS EMPIRES MAINTAIN WORLD TENSIONS

Paris HUMANITE DIMANCHE in French 27, 29 Apr 84 Sup pp 21-22

[Interview with Sean McBride, former Irish minister for foreign affairs, by Patrick Apel-Muller; date and place not given]

[Text] Sean McBride, former Irish minister for foreign affairs, Nobel peace laureate in 1974, former president of Amnesty International and later president of the World Peace Bureau in Geneva, has directed the work of a UNESCO commission on the relationships between communications and society today and tomorrow. His conclusions, which were made public in 1980, created a great sensation.

[Question] You issued a cry of alarm when you called attention to the quasi-monopoly enjoyed by the United States in the sectors of communication and information in the world. Why.

[Answer] I feel that control of the means of communication by states or multinational companies presents great dangers, particularly when they are used for purposes inimical to peace and the rights of men.

I have observed a trend toward the establishment of veritable press empires, such as the Murdoch group, which takes its name from its Australian owner who controls a considerable number of English U.S. newspapers, or the Lonhro chain, a South African company which owns newspapers in Great Britain, but particularly in Africa (800 companies in 60 countries). African newspapers controlled by South Africans: the objective sought is obvious...

And you, in France, spilling over into Belgium and perhaps Morocco, you have the Hersant group.

With the existence of these sprawling companies, pluralism is called into question; however, there is something even more serious. Some of them--such as Lonhro--are linked with arms merchants and obtain an immediate profit by fanning the flames of conflicts in Africa.

The multinational companies use their communication and information media to maintain tensions and prevent a better understanding among people. Because they generally have dominant positions...

[Question] You seem to attach great importance to problems of communication in society...

[Answer] I do indeed. Like Janus, communication has two faces. Everything depends upon which way it faces.

On the one hand, we can cause a company to make erroneous choices or set incorrect priorities. Up to a point, the media can promote cultural or political alienations, even if this is not necessarily done deliberately. And no one in the world is a priori safe from this risk.

However, the media are not omnipotent; and there are capabilities of resistance among the grass roots, alternative communications paths.

On the other hand, these means can constitute formidable tools for the development of knowledge, creativity, economic expansion. The choice between these two paths is fundamentally the crux of the debate.

[Question] You have emphasized the dependence of the Third World in this sector and have expressed the hope for--that is the title of your report to UNESCO--a "new world order of information and communication." Have these recommendations been followed by action?

[Answer] Indeed, we have recommended diversification of the means of communication, which guarantees greater independence for these countries. This report has produced several results; however, the task is considerable: most of the means of communication were set up during the colonial era.

Thus, everything coming out of French-speaking Africa passes through Paris. For example, a telegram sent by a Senegalese to an Ivorian follows the Dakar-Paris-Abidjan route. The situation is similar in the former British colonies: a telegram is routed through Accra-London-Lagos.

The placing in orbit of satellites could help these countries to become emancipated. But on one condition: that it is these countries which utilize the satellites and control the production line, particularly as regards TV programs.

[Question] What if this does not happen?

[Answer] Well, if they find the satellites essentially in the hands of the United States or multinational companies, these will become a factor aggravating the dependencies, the disparities and will be an additional springboard for the dissemination of new standardized products.



The Australian Murdoch, in particular, is at this time seeking to broaden his influence over television stations, by placing chains of satellites in orbit.

[Question] The UNESCO analyses, of which you were the chairman, have provoked lively reactions...

[Answer] Yes, but in different senses. The report you mentioned has had positive effects. Certain press agencies have admitted that it is necessary to set up regional or national agencies.

But the United States has blocked the development of these studies and of cooperation. It is even attacking UNESCO violently; the last blow was the suspension of its contribution to this United Nations organization. However, UNESCO's activities are in line with its objectives and statutes: to aid the development of culture, education and communication, particularly in the Third World. Basically what is disturbing the United States is that its communication and information monopoly has been brought into question. It fears a diminution of its influence and ideology which are being disseminated by the multinational companies.

[Question] Is the French government planning to limit the size of press groups?

[Answer] Although I do not know the details, it seems probable to me that your government wishes to limit the monopolies and their control of information. But I think it necessary to have this kind of actions accompanied by financial measures designed to assure real competition, true pluralism.

[Question] Do you think the print press has a future?

[Answer] Of course, the written press is encountering serious competition from the development of television and radio stations; however, I absolutely will not bury it. The print press will survive and doubtless will experience new developments. Because it gives the family a cultural basis for useful thought. That is something which endures.

8143

CSO: 3519/310

## NEW SOCIALIST YOUTH LEADER GUSENBAUER ON PARTY'S LEADERSHIP

Vienna PROFIL in German 2 Apr 84 pp 18-19

[Article by Otmar Lahodinsky: "Consensus Is Nonsense"]

[Text] Comments by Otmar Lahodinsky on new Young Socialist chief Alfred Gusenbauer who wants to breathe the spirit of the class struggle into the party leadership "with loyal criticism."

A month ago, his criticism of the red-blue coalition earned him a forceful scolding from his party boss. But now, the new Juso [Young Socialists] chief Alfred Gusenbauer suddenly discovered that he liked Fred Sinowatz. He partly also blames the "radical media baiting against the chancellor" for the election defeat of the socialists in Salzburg.

He admits at any rate that "nationwide political effects" could also have played a role here because "the people do not draw such a neat dividing line." The "necessary motivation and creativity were missing," he maintained, in the election fight. Here is how Gusenbauer sees the situation: "There was not enough power!"

What the SPOe [Austrian Socialist Party] officials at the grassroots are missing, he thinks, is "a clear guiding idea as to the party's role in the coalition." The party is threatened with the "conservatization of consciousness." "It is getting to be increasingly difficult to discuss topics in a controversial manner." Such as the question as to "how one can fairly distribute the burdens of the crisis."

That the chancellor gave in when it came to the social expenditure of VOEST [United Iron and Steel Works, Inc.] is something which Gusenbauer celebrates "as victory of the workers." "In this way a wave of additional dismantlings of social benefits was prevented. The losses at VOEST are not so dramatic that they would justify this social decline," says Gusenbauer. In case of any cutbacks one should rather work on the "excessively high board of directors salary."

Then Gusenbauer exhumed an old demand of the Young Socialists: Maximum incomes should not exceed seven times the average pay. Gusenbauer who himself makes 13,500 Schillings net as SJ [Socialist Youth] chairman ("But for that

I am available to the party day and night, 7 days a week") would tolerate an upper limit of net monthly salaries amounting to as much as 50,000 Schillings.

"The class issue again becomes a timely issue in the midst of the economic crisis," Gusenbauer says rather aggressively. "The tactics of the bourgeoisie to maintain that profits are a private matter while losses must be spread around to everybody--those tactics must not work. Enterprises under capitalism can survive only if they make a profit and this is why profits must also really be put back into investments."

Concerning the restoration of the budget, Gusenbauer suggests the introduction of a direct profit tax but also an interest earning tax in the original form. "The VAT increase hit only the socially weaker strata." This is why the party is threatened with further painful losses among its regular supporters. "The SPD [Social Democratic Party of Germany] also lost ground among its hard-core voters in the Ruhr region," Gusenbauer warns. He is all the more forceful in advocating the 35-hour work week and in support of Social Welfare Minister Alfred Dallinger "who again and again is being bottled up in his own ranks from Androsch all the way to Sekanina." In Gusenbauer's view, these attacks "are examples of double-dealing in the party." "That is where a person who, although fully in agreement with the party program, keeps worrying about things, is discredited in an absolutely indecent fashion."

In defending Dallinger, the 24-year-old Juso chief reveals one of his political goals: Working for the weak and the disadvantaged. "I fought against injustice even in school."

The son of a construction worker with Donaukraftwerks AG [Inc.] and a female day laborer developed strong self-confidence already as a student. "When in class we had to give the father's occupation, I was the only son of a worker. And I was not ashamed."

Like his predecessor Josef Cap, he too was an enthusiastic altar boy. In his home town of Ybbs, he admits, he served almost "2,000 times during Mass." This is something he could hardly have done in 7 years of church attendance. In contrast to Josef Cap, Gusenbauer has not left the Church to this very day. In the bookcase behind his desk one can see, next to the collected works of Otto Bauer, also a copy of the Bible through which he leafs when he has to deal with "social questions." "The Church's social commitment certainly helped make me what I am today."

Catholic youth officials praised his tolerance. "He was one of the first who condemned the campaign of vituperation against the Pope's visit," recalls Elisabeth Aichberger, chair person of the "Work Community of Catholic Youth." On the other hand, Rupert Wakolbinger, the head of the Catholic Worker Youth, criticized "his way of dismissing people who hold different views in a rather haughty fashion." "But he was shaped from early on as a result of his contacts with power" (Wakolbinger).

At the age of 16 Gusenbauer was made the state school spokesman for Lower Austria and he soon became a socialist youth official. In the black [conservative] districts of Ybbs and Melk, he built strong SJ groups and became SJ district chairman in 1977. In 1980 he moved up to the federation executive of Socialist Youth where Josef Cap assigned him the position of association secretary.

And Cap became the model of the political science and law student. "Joey certainly influenced him very much in his political orientation and life style," reports Andreas Rudas, Blecha's secretary, when both of them were together in the SJ. "This went so far that Gusi came to love novels and adopted Joey's preference for Viennese writers such as Altenberg, Polgar, and Friedell."

"It is difficult for him to develop his own style within the determined SJ line," said Josef Cap under whose leadership SJ was converted from an academy for party cadres into a youth organization which adopted a critical position toward its own party leadership.

As association secretary, Gusenbauer already rubbed the party leadership the wrong way. Because he participated in a communist youth meet in Yugoslavia, the party chairman reprimanded him in a letter which "Gusi" proudly hung in his office. Gusenbauer thinks that the latest request from Chancellor Sinowatz--to the effect that he dissociate himself from the communists--is "make-work therapy." "If there are uncomfortable critics in the party, you simply give them something to do. So we have to dissociate ourselves from the communists although we have done that often enough in the past." Contacts with youth organizations in Eastern Europe were always blessed by the party leadership and after all also served the cause of detente. "If some day youth organizations are no longer allowed to discuss with each other, how should there be a dialogue on a higher level?" Gusenbauer defends himself.

When, last June, as member of a delegation of the Federal Youth Ring, Gusenbauer kissed the ground "by way of a joke" on arrival at the Moscow airport, not even his friends thought that this was very funny. That the Young OeVP [Austrian People's Party] should spread this anecdote around on the occasion of his selection to the position of SJ chief he considers to be a part of a "campaign to brand me as a communist."

"What I regret is that SJ wants to make SPOe more socialist," said Othmar Karas, chairman of the Young OeVP, angrily. "Youth problems of course get the short end of the stick here. And Gusenbauer did not prevent the communist proposals from being pushed through in the last platform of the peace movement," Karas criticized. "Obviously consensus with the communist groups is more important to him than with other associations."

Indeed, several youth organizations--Young OeVP, Labor Union Youth, college students, as well as Catholic groups--no longer supported the peace platform of last October and they no longer want to go along with the coming peace action week in May.

Karas also believes that the common axis in fighting against youth employment has been broken. "SJ is not interested in a common front."

"I am waiting for the proposals from Young OeVP," Gusenbauer countered. "So far, it always only said no to our demands." SJ demands the reintroduction of the "youth hiring law" from the 1950's which is designed to force enterprises to hire young people depending on their size. "Young OeVP rejected that which even OeVP economic expert Josef Taus had demanded in 1982. But when we demand this law, Karas considers that already to be an attempt to spread the world revolution," Gusenbauer comments acidly.

Within SPOe he wants to stick to the "line of critical solidarity toward the party leadership." After a talk with Sinowatz, Gusenbauer promised in the future to discuss differences of opinion first in-house. The chancellor assured him, he says, that FPÖe [Austrian Liberal (Freedom) Party] is not fashioning the government line as forcefully as the Young Socialists were afraid. "But FPÖe will certainly continue to try to be the better OeVP and to prevent any measures taken at the expense of its supporters," Gusenbauer worries; he believes that the coalition and social partnership constitute a second "consensus regulation mechanism." In being too considerate of the coalition partner "you block your way back to the absolute majority. In that case, consensus is nonsense."

To keep the 42,000 SJ members in line, the Juso Chief wants to continue to devote himself to the "new social movements" in ecology and in peace work. Recruiting new SJ members is getting increasingly difficult especially in urban areas. "You first of all have to explain to these people why they, of all people, should cooperate with the social democrats," complains Gusenbauer. "In the past, we were the only ones in the progressive sector."

This is why Gusenbauer, in the atomic energy debate, continues to steer a course of confrontation with the party's top leadership. On this issue, Gusenbauer--who was declared 4-F during his army physical on account of hay-fever--remains militant: "If they think that they can open up Zwentendorf this year, we will call for a general mobilization. Our battalions are ready. There will be no dry eyes around here."

5058

CSO: 3620/269



## SCHLUTER INCREASINGLY CONCERNED OVER FATE OF CENTER-DEMOCRATS

Copenhagen BERLINGSKE AFTEN in Danish 30 Mar-5 Apr 84 pp 1, 12

[Commentary by Hans J. Poulsen: "Halved Government Party in a Squeeze"]

[Text] The Center-Democrats [CD] have obvious difficulties establishing a profile for themselves in government cooperation. Erhard Jakobsen's discipline still prevails in the Folketing group, but after being halved in the election it is difficult to keep spirits up. The burden of work is also felt heavily by the small government party, of which almost half of the Folketing members have been placed in ministerial posts. The group therefore has ample job offerings, if a minister or two is sent back in a government shuffle.

With all of four ministerial posts, the CD is at the moment in first place on the political stock exchange. Since the party suddenly dropped from 15 to 8 seats, however, Erhard Jakobsen's bearer shares in the party are now at a rather unrealistic premium. Their real value is not as high as the current market quotation.

For that reason Poul Schluter's eyes obviously will rest heavily on the CD representation in the government, when the time is considered right to bring the number of ministers more into line with the number of seats, and it can not be excluded that the head of government will also look at what the CD ministers have achieved in the quartet government. Will it be one ministerial post that CD must lose? Or perhaps two?

### In the Trough of the Waves

CD finds itself down by 4.6 percent of the votes in a heretofore unknown situation. Because of its ministerial posts, CD should have had an excellent chance to distinguish itself. But what happened? Minister of Greenland Affairs Tom Hoyem has come into ill favor with the Greenlanders, Minister for Public Works, Communication and Transportation Arne Melchoir has drawn inconvertible funds on the future by promising a permanent Great Belt connection to be finished by 1992, Minister of Culture Mimi Stilling Jakobsen

has gone mad in the city by supporting an idea for a referendum which can not take place, and Minister of Housing Niels Bollmann appears not to have gone into the city for anything.

CD is and will continue to be a centralized, business-oriented party, which profits from the always available quantity of marginal voters. As a fringe party it has in its 10 years experienced many ups and downs.

The election of 10 January this year is in the latter category. CD was reduced to 8 seats in the Folketing when 100,000 voters left the party. As three of those remaining have gone to ministerial posts (Tom Hoyem is not a member of the Folketing) and the fourth, Erhard Jakobsen, is outside the daily work of the Folketing, that leaves a group of four which pull the load.

As one of these Tordenskjold soldiers said to WEEKENDAVISEN, "After the last election we must work twice as hard for the same price."

The Folketing group has a regular weekly meeting. It takes place on Tuesday. The practical reason for this is that it is on this day that they can get the report directly from the weekly government meeting in the prime minister's department.

Now and then there are difficulties with synchronization, however, because ministers are on a trip. At this week's group meeting in room 66 at Christiansborg Minister of Culture Mimi Jakobsen was absent on an official visit to China to visit Zhu Muzhi, Minister of Culture of the People's Republic, and Minister of Greenland Affairs Tom Hoyem was in Greenland. Erhard Jakobsen could not participate either. He was at a meeting in Strassbourg.

The newly elected chairman of the Folketing group is Frode Nor Christensen, the driving test expert from Ringkobing, but still without experience in the special right-of-way rules that a less influential government party occasionally must submit to. Nor Christensen has been in the Folketing for 2 years, and after the election became chairman of the Defense Committee and member of the 11-man committee which will prepare a new defense arrangement.

Vice chairman of the Folketing group is Bente Juncker, who paid a high price to enter Christiansborg. In her most recent election campaign she invested 10,000 kroner of her own funds. Bente Juncker is the vice chairman of the Education Committee and spokesman for labor market, training, church, school and culture.

Rene Robert Brusvang is one of the veterans from the party's beginning. In the Folketing group they draw more on his experience than on his working power. Among other things Brusvang sits on the Market Committee and the Politico-Economic Committee. He is also an alternate on the Defense Committee.



Birgith Mogensen, who came into the Folketing in 1978, has a more quiet existence. She has places in, among other things, the Legal Committee, Social Committee and Energy-Political Committee. Her address on attitude questions is often referred to in CD's own telephone bulletins.

The fifth "rank and file" member is party founder Erhard Jakobsen, 67, who remains aloof from all committee work, but frequently appears as spokesman in important parliamentary debates. He has turned over his position as member of the Radio Council to party colleague Yvonne Herlov Andersen, who was defeated in the last election. He spends a lot of time on the EC, where he will be renominated on 14 June. Furthermore he goes to meetings once or twice per week.

This month his destinations have been Ulfborg, Hammel, Hvidovre and Snoghoj.

Normally an election defeat significantly weakens a party leader. This does not apply to the centralized, loosely organized CD. Whether it goes up or down, they identify with the elevator operator Erhard Jakobsen. He is still his party's uncontested strongest card on the home front, even if it is noticeable that he--as when he resigned on the platform at the Radio Council--to a growing extent builds on a posthumous reputation as a wholehearted European parliamentarian. But he will run strongly to regain the EC seat which he won for the CD in 1979 with 6 percent of the votes.

As a long time active member of CD expressed it for WEEKENDAVISEN: "Erhard himself can be just as happy whether we have 2 or 4 ministers, or whether we occupy 8 or 10 seats in the Folketing. It will always be the same to him, but he will try to prevent our losing two ministers in one government shakeup.

#### Instructions to Successor

Succession in CD is fixed. It is lodged in Minister of Cultural Affairs Mimi Stilling Jakobsen, 35, for whom the ancestral inheritance will be harder to administer than expected. As her party's spearhead in the government and in the government's coordinating committee, she seems especially oppressed by the election defeat. As she said in a recent newspaper interview, "I am not one of those who wins and loses with the same temperament. I am happy when I win, but I can not discuss a loss." This was said by a minister who has sports in her jurisdiction, but who is not inspired by the olympic spirit.

Seen politically the administrator of culture is otherwise a sports type, who never avoids a good fight. As for example the duels on the national tour with Kresten Poulsgaard last year. Or in the conflict over the nominations by the film institute, when she refused to act as a "rubber stamp."

Last week she lost some points when she was damaged by expressing spontaneous sympathy for a guiding referendum about an advertising-financed TV 2 channel connected with the European elections in June.

Mimi Jakobsen explained that the possibilities for a referendum about a Danish TV 2 have surely not been investigated enough, but it would be one of the available alternatives in case a majority in the Folketing knows better than a majority in the population. What she was aiming at was a majority outside the government.

The minister of cultural affairs was immediately called to order by the minister of justice, who sat on the government committee which prepared the bill for TV 2. "A guiding referendum is some nonsense which has no constitutional basis. So there is not much reality in the idea... Referenda are considered an instrument of the opposition--not as an instrument of the Folketing majority," said Erik Ninn-Hansen. Erhard Jakobsen also disapproved of the idea.

After these instructions the minister of culture remarked on the radio news, "I will not say that the idea is definitely dropped. But when the minister of justice does not like the idea, that means something..."

Mimi Jakobsen's associates in cultural circles appear to have withdrawn somewhat lately. Her statements in connection with revision of the theater law ("My model is a sack of money per year. And then no more problems.") were not well received. She was also criticized for appearing so little out in the pulsating cultural life. Especially since the election she has said that she is a rare guest in those circles.

Culture writer Jens Kistrup asked right out the other day in BERLINGSKE TIDENDE: "How unpopular can a minister (of culture) bear to be among those he/she is the minister for?"

According to Jens Kistrup, Mimi Stilling Jakobsen is fighting with a PR problem which is related to CD's poor election results: "Has that unpleasant surprise impeded her freedom of movement, when it is the cultural affairs she is supposed to be dealing with?" asked Kistrup--and answered the question himself: "Yes, I wonder..."

After the halving in the election there were many job offerings in the CD Folketing group. Now they are tensely awaiting which minister or ministers will be getting a pink slip sending him back to square one.

The vice chairman, Folketing member Bente Juncker, told WEEKENDAVISEN:

"We will gratefully accept extra assistance with the group's work in connection with reshaping the government. Following the election we have a workload which is two or three times as large. I consider it unbelievably tough to have five spokesman jobs, when before I only had two.

"At the moment we are working twice as hard for the same price. Nevertheless we are looking after our own preserves and using the opportunities that we have as a government party to extend our influence over our ministries in the work of preparing bills. But as a small party we are suffering from a shortage of resources for consultant assistance."

9287

CSO: 3613/133

## GONZALEZ ON RELATIONS WITH BRAZIL, POLITICS, TECHNOLOGY

Rio de Janeiro O GLOBO in Portuguese 8 Apr 84 p 34

[Interview with Spanish Prime Minister Felipe Gonzalez by O GLOBO Correspondent Monica Falcone at Moncloa Palace in Madrid; date and time not given]

[Text] [Question] When you think about Brazil, what idea do you have of the country?

[Answer] Even without being acquainted with it I have mixed feelings about Brazil, an enthusiastic curiosity because of political considerations and from impressions received from reading, for example, the recent "War of the End of the World" by Vargas Llosa.

I also think of Brazil as the land of syncretism, of cultural chemistry and the vitality which a young multiracial and multireligious country can have and the necessary tolerance that this diversity implies. It is a country with an enormous potential.

Undoubtedly it has enormous social differences and distressing problems. But I also see an intellectual quickness of the elites in noting the signs of the future. However, these are political considerations. Personally, I, like any other Spaniard, am fascinated by Brazil, perhaps because I do not know it and have so great a desire to visit it.

[Question] Did you receive an official invitation to visit Brazil?

[Answer] My human interest in Brazil is enormous, even though my political interest is great. I confess that when I went to Argentina for the inauguration of Raul Alfonsin, I had an almost irresistible temptation to spend some days in Brazil on a private visit. However, I had to give up the idea because I was accompanied by an official party. It is obvious that a visit by me to Brazil would inevitably have an official nature which I would seek to combine with a private visit. I already received many invitations from Governor Leonel Brizola but none from the federal government.

[Question] Despite the fact that Brazil is the child of Portugal, there is still much to be done in the exchange with the Iberian World. In your opinion, how could the trip by President Joao Figueiredo facilitate that?

[Answer] I am sure that this visit will intensify relations between our countries, which are linked by, in addition to reciprocal interests, a mutual curiosity. The Spaniards who go to Brazil return more than enchanted, they return enraptured.

[Question] In which areas could collaboration be increased?

[Answer] Speaking as the head of government, we have a very large trade imbalance in favor of Brazil, which would be more equilibrated. Our economic relationship is strange. Spanish credit to Brazil is infinitely greater than the amount of exports and trade. That could also be equilibrated. In terms of traditional raw materials, Brazil could increase its imports greatly and Spain, which has a degree of development which is not too sophisticated, has a technology which is more easily assimilated by a country such as Brazil than the highly sophisticated technology of other countries. Collaboration in this area could increase greatly.

Moreover, I believe that serious study is going on in Brazil about what the international division of labor is going to be in the future, the new technological revolution and the role the country is going to have then. This effort of development is born because of the terrible economic situation in which the country finds itself. In Spain this thinking about what the new world technological revolution is going to be is also beginning. In this area I believe there can be a great exchange of ideas and probably a great cooperation in the future.

[Question] To what do you attribute the fact that Spanish redemocratization was so quick and coherent and the country found a firm and institutionalized democratic life so quickly?

[Answer] There is a tendency to view the problems of one's own country with a much more critical spirit. I always say that our political process is viewed outside of Spain with much greater optimism. I also believe that the transition from an authoritarian to a democratic regime was truly magnificent in Spain. Economic growth and a better sharing of welfare produce a decrease in social tension.

Half a century ago there were very strong social tensions in Spain with great social differences. I do not deny that these differences exist today but the composition of the classes of society is completely different now. This means that when a certain degree of development is produced, social contradictions decline and a greater spirit of tolerance is created. The middleclasses have a very great importance--and it is not viewed with favor that a Socialist say this--in the sense of tempering social behavior.

There was also an important cultural change. In recent years Spain has received foreign cultural influence with all its contradictions. One of the results of that influence, for example, was the brutal increase in the use of drugs. The emergence from the isolation in which the country had lived for many years brought a current of greater tolerance, of greater freedom of speech and a pacification of the Spanish tradition of strong social confrontations.



Even before the death of Franco, we already were noticing a phenomenon of democratization in social and industrial relationships, even though the superstructure and the government continued to be authoritarian. There was already a greater tolerance including in family relations and those between the workers and management. Spain was already beginning to be democratic before the law recognized it.

[Question] What role did the politicians have in that exemplary march to democracy?

[Answer] The subjective elements of this transition are also of great importance. The cost of the Civil War was so great that it marked not only the generation which lived it directly, but also the following generation, mine, and the generations which were born later. We were marked with mental patterns which changed our priorities. For me, as a Socialist, the number one priority of Spain is, and it will continue to be during my government no matter how long it lasts, the defense of democratic institutions above and beyond any party ideological plan. I believe the defense of what I call peaceful and free coexistence is above, and more important than, any party interest.

[Question] In your opinion, can that experience be transplanted to Brazil?

[Answer] Allow me to make an observation. In Europe there are politicians who value revolutions when they are far away; there exists a certain passion for revolts by far-off guerrillas. I do not have the passion. I know what the guerrillas cost. It is not an accident that the word "guerrilla" has a typically Spanish origin. I want political process in other countries to be like those I want for Spain, that there be a struggle for the conquest of freedom and democracy, but always peacefully.

When I think of Brazil or even Chile, where the same process of transition is not going on, I see the elements for a democratization. In Brazil there was an experience of an authoritarian government and now there is a process that cannot be described as the definitive establishment of democracy. However, freedoms have existed in Brazil for many years; I do not say they are complete freedoms but they are of great importance. For example, there is freedom of the press, which is a driving force that is either brutally blocked or inevitably leads to a democratic society. There is also cultural freedom and freedom of speech, and even though there may not be the proper level of representation through elections, that power of freedom is irreversible. All this, providing one knows how to use each bit of freedom to win the next. It is not always possible to play it all in an extremist manner so as not to compromise this method of winning bits of freedom.

[Question] On two or three occasions there were threats of a coup d'etat, the last of them when Colonel Tejero Milina invaded the Parliament in February 1981. In your opinion has this danger been completely eliminated in the Spain of today?

[Answer] That danger no longer exists. Normally, a coup d'etat arises because of certain objective conditions. If they do not exist, the attempted coup, no matter how dramatic it may be, becomes a sort of tragicomedy, as happened in the case of Tejero. There was no social or economic condition that would allow the coup to succeed.

Shortly before the military coup in Argentina I was in Caracas and it was said there that the tanks of the Argentine military even stopped for red traffic lights because they were in no hurry to reach Casa Rosada, that was how foreseeable the coup was. The objective conditions for a coup in Spain did not exist in 1981 and much less today. With a little more time, when we have young people who did not know the dictatorship and who cannot conceive another way of life that is not in freedom, then we shall have overcome even the most minimal dangers.

[Question] How as it that the Spanish Armed Forces, which were strongly conservative and under Franco-like influences, accepted not only a democratic transition but even a Socialist Government?

[Answer] Although the armed forces have a conservative tendency, they have an enormous respect for legality and for peaceful coexistence. I believe that there is an unfair way of viewing the armed forces. From a sociological and economic point of view, the military was not favored in any way during the previous dictatorship. I do not wish to say by this that they were not linked to the authority and legality of the dictatorial regime. The military viewed the early times of transition from an authoritarian regime to a regime of freedom, with concern. Like many sectors of society, the armed forces have problems to assimilate, let us say, the impertinence of freedom. Freedom is usually impertinent. A young person can say on television, for example, that he is a pacifist and advocate the dissolution of the army. It is necessary to become accustomed to that degree of freedom. Being fair, I have to say that the truth is that the approval by the Armed Forces as an institution helped greatly during the period of transition; it greatly facilitated the process of understanding among Spaniards.

[Question] Your government appears to be so moderate in ideological terms that perhaps it would be fair to ask: On the whole, in what aspects can it be noted that Spain has a Socialist government today?

[Answer] In the first place, because Spain has a government heavily committed to democratic stability. In other countries of West Europe it would not be imaginable for a Socialist party to take over the government and have as its watchword the defense and strengthening of democratic institutions. However, in Spain it would be madness if it were not that way.

Moreover, I believe that moderation is a good virtue and is not incompatible with being radical in the sense of going to the root of problems. Sometimes style is confused with content. For example, a few years ago I heard a very moderate British Labor Minister say: "I am going to increase the taxes of the rich until the pipes burst." This was a very moderate politician who used this aggressive language, giving the impression that he could be wanting to make a revolution. The Socialist government in Spain has done things which will mean a historical change of enormous scope without raising its voice. We passed a university reform law in education and an organic law of the right to education. A different concept of family relationship was consolidated with the legalization of divorce and with a still prudent law on the regulation of abortion.



In the field of justice we passed a law on political asylum which is the most progressive in Europe. We passed a law on legal aid to prisoners, certainly also the most progressive in Europe. From the point of view of the armed forces, we passed three or four laws which drastically change the relationship of the civilian branch with the military and which, at the same time, will lead to its modernization and adaptation.

We are promoting some very serious changes and, in my opinion, very profound changes, which if consolidated will presuppose a fundamental transformation of Spanish society. All this is being done with great balance and without great rumors, without mounting a platform to gain publicity, but simply just doing.

[Question] Why does your government not promote wholesale state takeovers in the banking and industrial areas as Francois Mitterrand did in France?

[Answer] We not only did not do it but we tried to protect ourselves with an umbrella from state takeovers which could have fallen on our heads. One of the European governments which effected the most state takeovers were the Italian Christian Democrats, much more so than the Social Democrats of Northern European countries and certainly not with the intention of making a revolution and not because of an irresistible feeling of progress. Venezuela has 70 percent of its economy under state control and Colombia has 60 percent and it cannot be said that they are revolutionary countries. We have 25 percent.

From the examples we have, it is very difficult to identify state takeovers with progress. Sometimes state takeover means the creation of a bureaucracy which it is difficult to tolerate. Sometimes it means the creation of inefficiency. It is true that there are politicians who say that they would give up economic efficiency in favor of social efficiency. This only means distributing poverty and the creation of a new class: Nomenklatura, to use the term of a Soviet professor in exile in Vienna.

In addition to these historical reflections, I believe that political power in a democratic society is already a sufficient power when it is representative of the popular will. If the politician also has the temptation to grab an important share of economic power, he is probably going to have trouble in resisting grabbing other powers, including the power of information and education. It is difficult to escape totalitarian temptation. That is why communist countries are completely state operated. Even the Chilean Government in its attempt to control all powers on the basis of an initial neoliberalism, concluded by taking over all the economy of the country.

[Question] Then you are against nationalizations?

[Answer] In the changing world in which we live we should struggle for flexibility of all the structures of the state, of the public and the social sectors. In the degree that flexibility is maintained, the capacity for adaptation is maintained and the future can be challenged. With rigid structures, the future escapes from our hands and leave us with an economic, state and social structure in decadence. The problem of the iron and steel industry throughout Europe is an example, with the tremendous social resistance we encounter in changing that sector which is no longer a parameter of development. Today the electronic sector is more important. State takeover may be necessary at some historic moment but it is not necessarily a sign of progress.

[Question] To what do you attribute the progressive distancing of the European left from the Soviet Union, country which symbolized the ideas of Marxism and Socialism?

[Answer] The European left began to think. It is not possible to replace the crucifix with a photograph of Marx and Lenin, who may have been very intelligent but should not be mythicized. The left noted that the invasion of Hungary has no justification and that the decision by the Czechs to live under communism is not so voluntary. The left began to ask itself what was happening in communist countries and it asked itself this through newspapers, books and discussions, since it lived in free countries. It also asked itself what was happening to those who within the Soviet Union had that same type of concern and the answer was terrible: They are confined in psychiatric hospitals. That is where the credibility of the system crumbled. Totalitarianisms are evil regardless of their ideology.

[Question] Why did you not accept communist ministers in your cabinet?

[Answer] Because I did not need them and because I had no trust in the attitudes of the Spanish Communist Party leaders. After almost 500 days of government, the experience has proved me right with respect to my distrust.

[Question] The last number of the magazine NEWSWEEK identifies the phenomenon of the decadence of Europe: recession, unemployment and demographic crisis. Do you also believe that the old Europe is destined to become a third-class power?

[Answer] In 1979, West German Chancellor Helmut Schmidt, an extraordinarily intelligent person, considered very cold and hard, told me in a conversation: "The problem of the economic crisis cannot be considered circumstantial or structural. We are probably faced with an existential crisis." In the history of humanity we have geographic areas or countries which during a certain period were the center of gravity of the known world of the times. Europe was the center of the world for a long time, primarily in the 19th and 20th Centuries up until World War II. Then Europe had to acknowledge that world hegemony had passed into the hands of the United States and the Soviet Union in an almost imperial division of the world.

The loss of colonial influence and the consequences of the war caused Europe to react with structures such as the EEC and others. Its cultural accumulation, educational superiority and a high level of income still makes Europe the place with the highest standard of living in the world. However, I believe that we are at a critical moment for the continent, on the threshold of the end of the second industrial revolution and the beginning of the first technological revolution.

[Question] And how does Europe fit into this new technological revolution?

[Answer] In this threshold Europe finds itself with very serious problems. It seeks an identification within its own borders without finding it. That is the reason for the permanent crisis of the EEC, of which the interminable arguments on the liters of milk assigned to each country is a symptom. The budget of the Community devoted to research is smaller than that of the large multinationals and even so in order to decide where it will be spent it is necessary to gather the ministers of all the countries for innumerable sessions.

The worse thing is that Europe is suffering from a tragic inflexibility of its structures. It is also a consequence of its wellbeing. The unions have some "rights" which they do not want to give up. Businessmen are accustomed to an easy world and now want to readapt, including technologically. State governments are also very inflexible. Europe continues to produce intellectually with respect to technological inventions, such as robotization, for example. The Germans can invent first but the Japanese put it into use much quicker. That is why I think that Europe is running a serious risk of decadence. The hypernationalism of the European countries prevents the economic power of the whole from confronting the Japanese and the United States.

[Question] Why is it so difficult to keep up with the technological progress of Japan and the United States?

[Answer] Because of that structural rigidity. Europe, in my opinion, can in the medium term become an optimum service society where we would have the best restaurants in the world, optimum cultural centers and a rich artistic and literary production. However, it would be a society of services to be used by others; it would be the enchantment of the Americans and Japanese. If we lose the aspect of technological revolution which requires adaptation, flexibility and reconversion of the obsolete sectors, Europe runs the risk of limiting itself to being a magnificent tourist paradise.

[Question] Some Third World countries are heavily in debt and in their efforts to honor their commitments with the banks they make sacrifices which compromise their growth. Do you believe that a global and political renegotiation of Third World debts would be fair?

[Answer] I believe that, more than fair, it is inevitable. However, the status of the Brazilian debt cannot be compared with that of Venezuela and Bolivia. Some are short-term debts, which with a period of deprivation can be overcome, others are debts which even with a long period of deprivation could not possibly be paid. They are different debts and different countries which must be dealt with separately. In my opinion, therefore, I believe that the principle is necessary that whoever owes should pay. If this principle is broken, there would no longer exist any possibility of trust. Nonpayment will create, not only international financial problems, but an unbearable domestic crisis in those very countries. The principle of payment has to be maintained. However, when a country is told: "You have to tighten your belt in order to pay," it is the same thing as saying you have to diminish your consumption capacity and import less. Tightening the belt many times is limited by survival itself. In order to pay debts it is necessary to have the oxygen to create new wealth.

8908

CSO: 3542/32

## SDP, COMMUNISTS AGAIN HAVE MAJORITY ACCORDING TO SIFO POLL

## Liberal Party Drops

Stockholm SVENSKA DAGBLADET in Swedish 1 Apr 84 p 7

[Article by Hans O. Alfredsson]

[Text] For the first time since the trend was broken last summer, the Social Democrats and the VPK [Left Party-Communists] are bigger than the nonsocialist parties. That is shown by the SVENSKA DAGBLADET-SIFO [Swedish Institute for Public Opinion Polls] poll for March. The Social Democrats are up by 2 percent, while the Liberal Party has dropped by 1.5 percent.

Otherwise, the change from February is extremely small.

The SVENSKA DAGBLADET-SIFO voter barometer for March showed the following results in percentages (with the change from February in parentheses): Conservatives: 27.5 (-0.5); Liberal Party: 7.5 (-1.5); Center Party: 13.5 (no change); Social Democrats: 44.5 (+2.0); Left Party-Communists: 4.5 (+0.5); and all other parties: 2.5 (-0.5).

This means that the nonsocialist parties combined now have 48.5 percent of the voter support, compared to 49.0 percent for the Social Democrats and the VPK.

In February, the nonsocialists were ahead by 4.0 percent (50.5 percent compared to 46.5 percent).

## SDP-VPK Catching up

Even if the difference is as small as it can be, the message seems clear: the Social Democrats and the VPK have erased the big lead taken by the nonsocialists last fall.

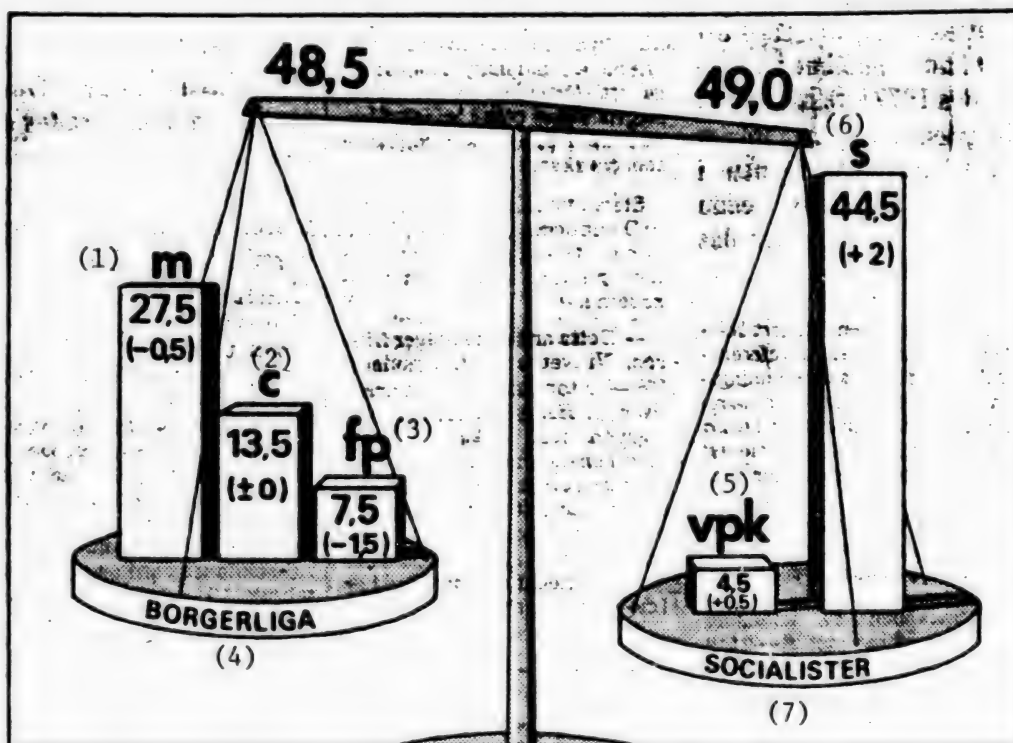
In October, when the debate over wage earner funds was at its height, the nonsocialists scored 51.5 percent according to the SVENSKA DAGBLADET-SIFO poll, compared to 45.0 percent for the Social Democrats and the VPK. Their lead at that time was therefore 6.5 percent.

After that, the gap narrowed in several succeeding polls as the Social Democrats slowly climbed upward from their low score of 40 percent in October.

The Social Democrats and the VPK now have exactly the same share of the electorate that they had before the trend was interrupted last summer, when the nonsocialists, after doing badly in public opinion polls for several years, suddenly took the lead.

#### Like Last Year

For their part, the Social Democrats have not scored so high in a SVENSKA DAGBLADET-SIFO poll since May of last year, when their share was 45.0 percent. Their level is now exactly the same as it was a year ago, but considerably



SIFO's voter barometer for March shows that the Social Democrats and the VPK are ahead of the nonsocialists by 0.5 percent. In February, the nonsocialist bloc was ahead by 4.0 percent.

#### Key:

- |                       |                          |
|-----------------------|--------------------------|
| 1. Conservative Party | 5. Left Party-Communists |
| 2. Center Party       | 6. Social Democrats      |
| 3. Liberal Party      | 7. Socialists            |
| 4. Nonsocialists      |                          |



lower than in March of 1982 and 1981, when it was 49.5 and 50.0 percent respectively. In the 1982 election, the Social Democrats received 45.6 percent of the vote.

The second distinct change concerns the Liberal Party, which has not been this low since September, when its recovery following the change in party leadership began in earnest. That recovery peaked in November with a record of 10.5 percent in the SVENSKA DAGBLADET-SIFO poll.

It should be noted that all the changes in the March voter barometer fall within the margin of error.

In the case of the Conservative and Center Parties, the poll confirms that what happened in February (when the Conservatives dropped by 1.5 percent and the Center Party advanced by the same percentage) was no fluke.

#### Center, Conservative Parties Unchanged

On the whole, the level for both parties remains unchanged. For the Conservatives, this means that they are at their lowest level since November 1982. In December 1983 the Conservatives had 30.0 percent, and in January 1984 they had 29.5 percent. During the same period, the Center Party advanced from 11.5 percent, but until October of last year, it had been at a higher level than now.

The VPK had been dropping earlier in a number of successive polls--from 5.5 percent in December to 4.0 percent in February. That trend was halted in March, but the party is still dangerously close to the minimum required for representation in Parliament.

The number of uncertain voters dropped to 5.0 percent following its remarkable upswing in February.

This time, 993 people answered the usual question: "Which party do you think is best today?" The poll was conducted in the form of house visits between 7 and 27 March. Parliament was debating both finances and foreign policy (both debates being broadcast live on TV), the Social Democrats and the nonsocialists had gotten together on defense, the Social Democrats and the Center Party had reached agreement on private physicians, the Long-Term Survey had been presented, the discussion on families with children was continuing, and the submarine hunt in Karlskrona was entering its second month.

#### Economy Boosting Palme

Stockholm SVENSKA DAGBLADET in Swedish 1 Apr 84 p 2

[Commentary by Gunnar Andren: "The Three Clear Trends"]

[Text] Three trends are discernible when SIFO's voter barometer for March is compared to public opinion polls conducted earlier in 1984.

First, the Social Democratic Party [SDP] is seen to be moving ahead. Obviously so.

Second, the so-called honeymoon for Liberal Party leader Bengt Westerberg is over.

Third, the Conservative Party's high standing in public opinion polls is slipping.

This is true both in the March survey and in the long-term trend. The advantage won by the SDP-VPK bloc in March (49 percent, compared to 48.5 percent for the nonsocialists) is certainly not the equivalent of a lead in the long-term trend. But the development there is the same: a strong boost for the SDP.

What is happening?

No sophisticated analysis is needed to explain the advance by the Social Democrats. Putting it simply, things are going well for Sweden under the Palme government, at least superficially: exports are rising, business profits are up, and there are a number of favorable reports.

So who is worrying about bothersome problems: about the inflationary effect of the budget deficit or about the fact that our inflation rate is still too high in relation to that in the most important countries we compete with--and is threatening to become even higher as a result of the recent wage agreements?

Also on the government's credit side is the fact that, especially in the mass media, it is managing to appear very competent administratively in comparison with the governments from 1976 to 1982--gone are the constant quarrels and the talk about disunity.

What about the wage earner funds?

They have been pried loose from Parliament and have been rendered harmless, at least for the moment.

But the government has one difficult problem that it has not solved: it has not succeeded in reducing unemployment. It is true that open unemployment among young people has declined, partly as a result of the law on young people, but young people in particular surely know the difference between employment of that kind and real jobs.

Why are the Conservative and Liberal Parties dropping in the polls?

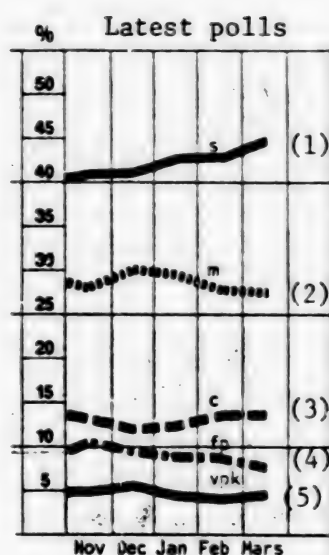
There are many incomplete explanations, of course, but I would like to provide an explanation in one phrase that may conceivably sum up what many people are thinking: their message is too concerned with economics.

When a party comes out with a message as austere and objectively justified as that being presented by the Conservative and Liberal Parties, it must be specific and concrete and explain why the "cutbacks" are necessary and not goals in themselves for the economic policy.

The percentages in the graph are taken from the table below and the corresponding earlier months.

Key:

1. Social Democrats
2. Conservative Party
3. Center Party
4. Liberal Party
5. Left Party-Communists



"Which party do you think is best today?"

Eligible voters between 18 and 74 years of age and stating a party preference	March 1984	Feb 1984	March 1983	March 1982	March 1981	Feb 84 long-term trend
Conservative Party	27.5	28.0	30.0	25.0	22.5	28.4
Liberal Party	7.5	9.0	4.5	7.5	8.0	8.3
Center Party	13.5	13.5	14.0	10.5	12.5	13.1
Social Democrats	44.5	42.5	44.5	49.5	50.0	42.9
Left Party-Communists	4.5	4.0	5.0	3.5	5.5	4.6
Other parties	2.5	3.0	2.0	4.0	1.5	
Eligible voters with a party preference	100.0	100.0	100.0	100.0	100.0	
Percentage of eligible voters casting blank ballots or not stating a party preference	5.0	6.0	4.0	4.5	6.5	
Number of citizens interviewed	993	970	991	1,062	2,002	

The March interviews (house visits) were conducted from 7 to 27 March. Answers were provided in sealed ballots. In the September 1982 election, the Conservatives received 23.6 percent of the vote, the Center Party 15.5 percent, the Liberal Party 5.9 percent, the Social Democrats 45.6 percent, and the VPK 5.6 percent. But voter barometer figures should be compared with each other, not with the election results (the oldest eligible voters are not interviewed, everyone supporting a particular party does not vote, and propensity to vote varies among the parties). The figures are rounded off to the nearest 0.5 percent.

No importance should be attached to changes from a trend level (last column) that is less than 2 percent for the SDP and Conservatives or less than 1.5 percent for the other parties. It should also be remembered that isolated changes in a series do not necessarily indicate a new trend. Copyright: SIFO and SVENSKA DAGBLADET, GÖTEBORGS-POSTEN, SKANSKA DAGBLADET, and ARBETET.

As we all know, there are also a great many other values in politics to latch onto besides economic values.

One picture that exists today concerning the opposition policy--besides the "nagging" that is every opposition's curse--is that the opposition has let itself be ensnared by its own liabilities and budget problems during the years that it was the government.

What became of the will to change? What happened to the vision of a freer and less bureaucratic society?

The answer--"it is in the bills we introduce"--is not one of the most convincing.

But certainly it is difficult to pursue an opposition policy when the economy is on the way up.

#### Problems Ahead for Palme

Stockholm SVENSKA DAGBLADET in Swedish 1 Apr 84 p 2

[Editorial: "Upward at a High Price"]

[Text] SIFO's survey of voter preferences for March confirms two things. First, the poll shows that the government is prospering in voter opinion, and second, it confirms the dominant position of the Conservatives in the nonsocialist bloc.

The Social Democrats have succeeded in recording progress in a number of polls, and the two blocs are now even. Any other development would have been surprising. This time the nonsocialists did not get a boost from the various issues helping them last fall. For natural reasons, the fund issue is not being debated as much as it was, and the government is being helped by the current economic upswing. The debate over economic policy is still characterized by the government's quite successful presentation of the budget.

Superficially, therefore, the Palme government ought to be able to bide its time with confidence. This is not exactly a time when governments in other European countries are riding high.

But under the surface, the problems are growing. The budget earned the government good will because it did not include any specific measures that might dampen optimism. But in this temporary success also lies the seed of a number of setbacks during the rest of this government's term of office.

Some of them can be glimpsed already. The wage negotiations did not have the desired result. Although high wage agreements favor the government's standing in public opinion in the short term, they will undermine credibility in the long run. SVENSKA DAGBLADET revealed yesterday that the government is being forced to abandon the inflation goal. There are many indications that this is not the last time the government will be forced to do so.

The reason is not only the way the wage negotiations have turned out. An equally important factor in inflation may be the government's passiveness on the subject of cutbacks in the central and local governments. This year's budget means that the government has wasted its chance--perhaps its last chance--to fend off the inflationary effects of the economic upswing through austerity in the public sector.

The government has bought today's public opinion figures at a high price. If economic developments between now and election day do not show that its policy has met expectations and that the crisis is really on the way to being overcome, voter disappointment will be considerable.

In the eyes of the public, the government has already crowed victory. Unfortunately (for the government and our country), we are not there yet.

So if the economy is the government's short-term asset and its long-term worry, the exact opposite holds true for the nonsocialist parties. It is difficult to put across a puritanical message when business is good and the government's promises of lower inflation, declining unemployment, and higher real wages have not yet been conclusively contradicted by reality.

So it is not unnatural to see a downward trend for the Conservatives. Despite that, the Conservative Party's dominant position in the nonsocialist bloc remains stable. Many people were probably expecting a leveling-off between the middle parties and the Conservatives as the memory of the third Falldin government fades away in public opinion. It is also reasonable to assume that the Conservatives ought to be the ones having the most trouble with credibility now that times seem to be growing brighter.

The Conservatives will therefore be faced with very tough requirements in the time remaining until the election.

They must achieve the feat of making a nonsocialist alternative credible not only in the sense that the three parties can form a government--they must also, and above all, show that an energetic policy can be pursued in a situation where serious economic stresses exist.

For the Conservatives, the problem is that they must become even more active in their criticism of the government and work purposefully to prepare themselves and public opinion for the things that must be done after a Social Democratic failure to straighten out the economy. The Conservatives must dare to invest in the future through such an opposition policy.

It is possible that the Liberal Party's drop in the poll will feed speculation that Bengt Westerberg's political reorientation has not survived the honeymoon. But there are considerably better explanations at hand. The Liberal Party's problem at the moment is not the policy advocated by Westerberg. The problem is that it is not visible enough. In the period when Bengt Westerberg was receiving big coverage in the mass media, the party's position was strengthened considerably.



The Liberal Party leader is now suffering quite obviously from the fact that he does not have a seat in Parliament--a problem about which not much can be done but which, on the other hand, is temporary. Like the Conservative Party, the Liberal Party must pursue an opposition policy that is best for Sweden in the long run regardless of the circumstances of the moment.

11798

CSO: 3650/169

## PROSPERITY PARTY'S TEKDAL ON POLITICAL PROSPECTS

Istanbul MILLI GAZETE in Turkish 8 Apr 84 p 5

[Article by Fatih Agan: "Elections Inevitable by 2 Years Hence"; includes text of Tekdal press conference in Ankara 7 Apr 84]

[Text] Prosperity Party [RP] head Ahmet Tekdal called a press conference to comment on the election results.

"The votes we received in the local elections will easily put us over the 10-percent barrier in future general elections," asserted Tekdal.

The following are Tekdal's comments from the press conference held at party headquarters yesterday:

The results of the local elections on 25 March 1984 have been studied by the Prosperity Party, and this is what was found:

1. The RP received 837,043 votes in the local elections which represents 4.3 percent of the approximately 17.6 million votes cast.
2. All three parties that participated in the 6 November elections were seen to have significantly fewer votes in these elections.

In fact, the Motherland Party [ANAP]'s 45-percent share of the votes in the 6 November elections fell to 41.3 percent in these elections; the Populist Party [HP]'s 31 percent fell to 8.5 percent and the Nationalist Democracy Party [MDP]'s 23 percent fell to 7.1 percent. That is, these three parties have lost 7.2 million votes in parliament in about 4.5 months.

3. Meanwhile, the Prosperity Party, the Right Way Party [DYP] and the Social Democracy Party [SODEP], neither of which participated in the 6 November elections, gained a total of 7.4 million votes in the local elections. The percentage of the vote going to the HP and the MDP, which represent the opposition in parliament today, dropped from 54 percent to 15.5 percent, while the parties outside parliament (that is, Prosperity, DYP and SODEP) had 41.5 percent. In other words, 7.4 million voters, representing 41.5 percent of the total votes cast, are unable to have representation in parliament. Such a large discrepancy is indefensible in democracies.

4. The Prosperity Party won 4.8 percent of the vote in the local elections, as we said. That is 837,043 votes, and as a result we won local leadership positions in two provinces, five districts and many towns.

It is, in our opinion, extremely meaningful that our party won mayoralties in two of our important provinces in an election in which neither the DYP nor the HP carried a single province.

In evaluating the results achieved by our party in the local elections, however, we think it well to bear in mind these points in particular:

a) In the 25 March local elections, the RP was able to participate in:

--Provincial general assembly elections in only 325 of 648 districts, or 50 percent,

--Mayoralty elections in only 274 of 1,699 municipalities, or 16 percent,

--Municipal assembly elections in only 291 of 1,699 municipalities, or 17 percent.

b) We were able to run in only a limited number of districts and municipalities because the local elections were held so early, the campaign period came during the winter and funding was unavailable.

c) The most effective campaign for public recognition in local elections is the one for mayoral positions. We, the RP, were able to run in only one-sixth of the municipalities for the reasons stated earlier. We were unable, therefore, to get our party's views across adequately and gain sufficient recognition.

d) The campaign period for the 25 March local elections was very brief and, also, the opportunities for press conferences and open forums on radio and television available to the three parties in the 6 November elections were denied the parties in the local elections. Because of this, the RP unfortunately did not have the opportunity to present its views to the citizenry in a broader framework.

e) I am sorry to say that certain large-circulation newspapers published articles intended to make our party look smaller than it is.

Result:

The 4.8 percent of the vote which we, the RP, received in the local elections despite all these adverse conditions which we have described briefly above will easily put us over the 10-percent barrier in future general elections.

So, God willing, the RP will be a party able to mount the 10-percent barrier and enter parliament in the next general elections.

The tendency has been for those who call themselves social democrats to vote for SODEP, people who go along with pro-interest, capitalist practices to vote for ANAP and the DYP, and people who endorse a national consciousness to vote for the RP.

It looks as though the parliament that will come out of the next general elections will be comprised of the RP, SODEP and ANAP or the DYP. One or the other of ANAP or the DYP, both of which espouse the same mentality as regards social legislation, will not be able to last very long. One of these parties will endure, the other will disappear. Time will tell the outcome of the struggle between them.

I am sure that you have noticed that I did not say general elections would probably be held within 2 or 3 years. We have two important reasons for thinking this way:

1. As we mentioned, there is a very important discrepancy in the present structure of democracy. This discrepancy exists in the fact that ANAP with 41.3 percent of the vote is in power, and the HP and the MDP with 16 percent of the vote sit in parliament as the opposition, whereas the opposition consisting of three parties with 41.5 percent of the vote is not represented in parliament. This discrepancy cannot persist and must be corrected as soon as possible.

2. It will be very hard for the Ozal government to run the country for 4.5 years with its economic policy. ANAP's stringent pro-interest, capitalist practices and its economic policy of making the rich richer and the poor poorer have led the large majority of the nation to bitter complaints about unemployment and hardship. This is going to ruin the national economy.

It is our opinion that the bitter fruits of this deformed economic policy will multiply and come to harvest within 2 years at the latest and, in that case, socio-economic difficulties will lead inevitably to early general elections.

We sincerely hope that we are wrong in this. However, the price hikes imposed by the ANAP administration in the past 2 weeks following the 25 March elections, unfortunately, tend to justify our fears. In fact, a review of economic activity of the past 2 weeks reveals:

On 28 March 1984, the minimum wage was set at 24,525 liras gross and 16,422 liras net (for a married worker with two children). While it is impossible to live on the minimum wage today, one cannot reconcile the 8,000 liras still being deducted monthly from these wages with justice or any sense of fairness. For the Ozal government, however, exempting the minimum wage from taxes is the farthest thing from their mind. Look at the newspapers for the 2 or 3 days after the announcement of the minimum wage. The newspapers said that food for a family of four costs between 33,000 and 40,000 liras. Yet, the Ozal government, immediately after the elections, started bombarding the poor and needy, what it calls the mainmast, with price hikes. Here are a few examples:

Bread went up from 30 liras to 40 liras. Sugar went up 30 percent, drugs 30 percent, liquid fuel 7 percent, tea 32 percent-53 percent, olive oil 12 percent, bridge tolls 100 percent-150 percent, vegetable oil 40 percent, petroleum and chemical products 5 percent-10 percent, Turkish Airlines tickets 60 percent, and notary public fees 70 percent-100 percent.

With the present increases in iron, cement, paper, State Railways and the Maritime Bank, dealer hikes are next in line.

If we look back a little, we see more of the same price-hike logic and enormous increases. Here are a few more examples:

On 27 December 1983, liquid fuel went up 3 percent; on 29 December 1983, Monopoly items went up 30 percent-40 percent; on 31 December 1983, electricity went up 35 percent; on 6 January 1984, fertilizer went up 60 percent; and on 17 January 1984, paper went up 5 percent-10 percent.

On 17 January 1984 Sumer Bank items went up 15 percent, and on 18 January 1984 oil went up 3 percent.

So, a 4-month summary of Ozal government actions would be: price hikes, spiraling cost of living, unemployment, hardship, bankruptcy, continuing inflation, steadily falling currency.

It was because of all this that a former secretary general of the treasury expressed his anxiety in the words: "Ozal means interest and that means price hikes and that means devaluation. This kind of economic policy has not brought prosperity to any nation yet, and it will not bring prosperity to us."

This course of events is serious cause for alarm. However, even more worrisome is Mr Ozal's ability to say with aplomb: "Price hikes are better than doing without. We are making these price hikes essentially so that the public can catch its breath. If we did not raise prices, there would be shortages."

The picture is quite clear: The price hikes already made will be followed by others, and the low-income groups will be asked to make all the sacrifices. Our citizens willingly sacrifice and tighten their belts under only one condition: If they believe that after a period of sacrifice, their income will improve, the economy will revive, unemployment will be checked, inflation will stop; that is, if they believe they will soon achieve a standard of living consistent with human dignity.

Unfortunately, however, we have been guided by the same economic policy ever since 24 January 1980; we are always expecting a year or two hence to be the "year of the miracle," which never comes. It seems that our economic car is always driven by the IMF and the World Bank. They always have the same recommendations and the same conditions: "Reduce investments in the public and private sectors, don't raise wages to match price increases, continue to fix base prices, steadily devalue your currency, steadily raise interest rates."

The outcome of this course of action, unfortunately, is economic ruin and bankruptcy. And it is for these reasons that early elections will become inevitable.

We believe that the Prosperity Party, with its experienced, dynamic cadre devoted to the "national consciousness" and the spirit of "national progress," is the only one that can save our country from these woes.

When the RP grows stronger and increases its clout in Turkish political life, our nation will also be stronger and more prosperous. We undertake this effort with the purest of motives. Our goal is the well-being of our great nation. The work is ours; God is our help.



## COPENHAGEN CIVIL DEFENSE COMMISSION EXPANDS TRAINING

Copenhagen AKTUELT in Danish 30 Mar 84 p 32

[Article by Jorgen Holst: "10,000 Extra Men to the Civil Defense"]

Copenhagen. The Civil Defense Commission for Greater Copenhagen has approved a 4-year plan which contains a training program for an extra 10,000 persons. When--or if--the program is implemented, the civil defense of Greater Copenhagen will control over 25,000 conscripted, trained persons.

"We have about 15,000 trained today, and that is sufficient so that with 24 hours warning we can man all 12 command centers in Greater Copenhagen and the primary units in the fire service, rescue service and signal service," said civil defense chief L. Byg. "On the other hand we can not man the supplemental stations and aid stations with trained personnel."

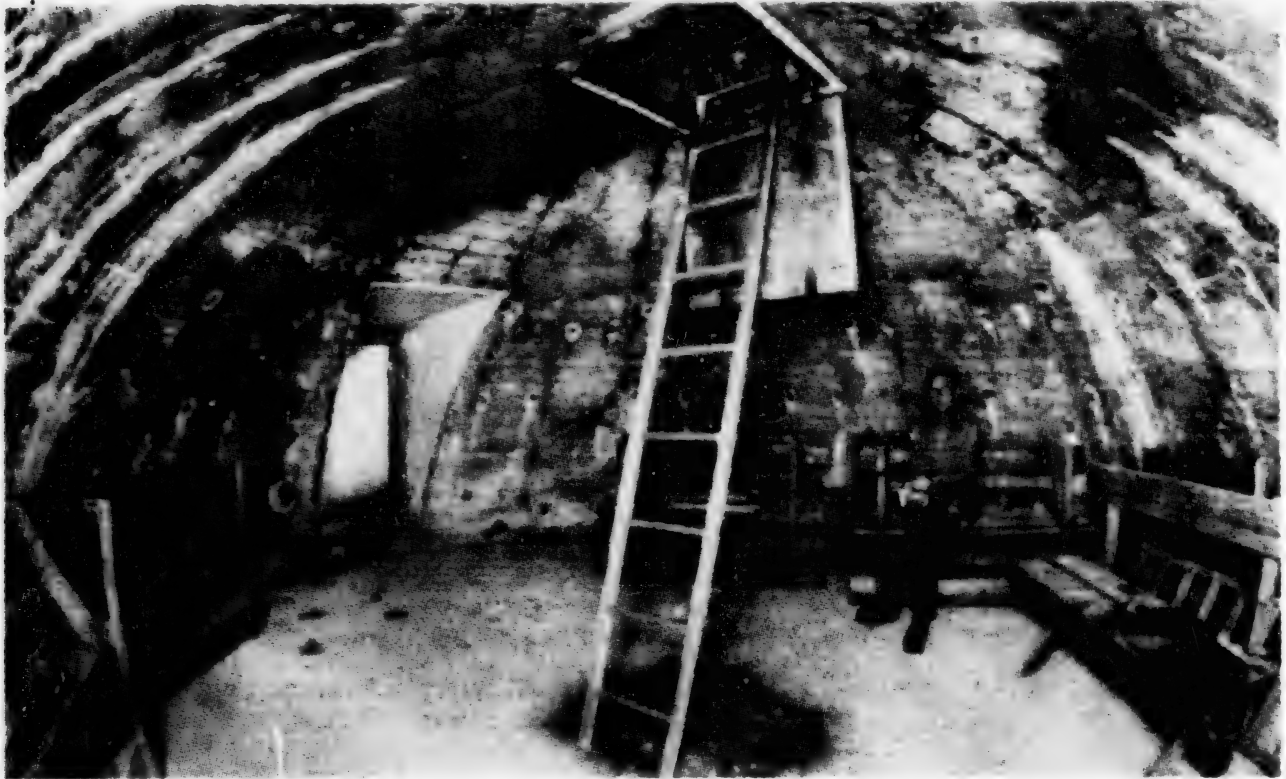
## 10,000 Are 'Earmarked'

L. Byg stated that the 10,000 who will enter the training program are already "earmarked" during sessions in the past year. They will mainly be trained and provisioning and billeting service. The training will be quite brief. It is really the task of the state to implement the training, but the Civil Defense Commission decided that the men themselves will set up a training plan, and the commission hopes that the training will begin in this way. It will be paid for by the state.

## Too Few Places in Shelters

The new 4-year plan also includes a civil defense investigation of all shelters and protection rooms in Greater Copenhagen. Today there are places for fully 1 million people in the shelters. That is too few places, and they are distributed inappropriately, according to L. Byg. The investigation will determine how many new places should be established, and where they should be located.

The question will also be clarified as to how many changes are necessary in each shelter before they can be used. Most are not immediately useable today. They lack benches, toilet facilities are not all working, ventilation systems must be overhauled. But within 24 hours most shelters can be placed in useable condition, according to the civil defense chief.



Caption: The shelter is only suitable for a short stay--for example there are no provisions depots.

9287

CSO: 3613/133

## FOLKETING DEFENSE COMMITTEE CHAIRMAN DEFENDS PLAN GOALS

Copenhagen AKTUELT in Danish 31 Mar 84 p 7

[Article by Frode Nor Christensen (Center-Democrat Party), Chairman of the Folketing Defense Committee: "Effective Defense"]

Denmark's defense policy should be based on the concept of effectiveness. When this concept is adhered to, it will be much easier to do what should be done in accordance with the government's objectives and the wishes of the opposition in economic areas.

Because it is certain that there will be demands for savings--and it is just as certain that they will be opposed.

It is therefore a question now of holding firm, that we will not speak of percentages such as we did with very negative effect during the last detailed defense coalition, but of a factual judgment of the needs and the capabilities which each service must have.

Nothing could be worse than if the discussions in the 11-man committee started from fixed percentage cuts. And in order to counter such a situation it will be urgent for me to point out the following possibilities:

1. A 5-year defense coalition should be entered into (the current one is for 4 years). The length will make it possible for decisions made by the coalition to be carried out during the period--furthermore it will be the same length as the NATO planning period.

2. Serving time should be made flexible for the individual services. This will bring greater efficiency, and the individual soldier will not feel that time is being wasted during his period of conscription. Technical conditions and increased knowledge of applications makes it reasonable to think along these new lines. And adding the situation in the labor market and the increasing will to defend, both will contribute toward eventual lengthening of service time for some--with pay compensation--which will not be unpleasant.

In my work as the chairman of the Folketing Defense Committee and in the 11-man committee which follows detailed coalition decisions, it is important for me to have the support of expert advisers. It is here that the latest personnel debate has given me food for thought. Without contesting the validity of the individual citizen's right to freedom of expression in society, I will allow myself to point out the difficult situation which former Lieutenant General, now Colonel G. K. Christensen has put me and others into.

For me an expert adviser requires impartiality. And when a distinguished and talented officer stands forth and admits not only political--and thereby attitude distortion--but also political party affiliations, I must take exception to it.

As I said, it is his and his colleagues right, but I can not attribute other weight to that person's advice than that with which it is spoken.

And that is unfortunate at a time in which a lively debate is going on--and will continue. I am in agreement with the Social Democrats that our attitude toward defense should not be static. We will live with whatever happens both to us people and the world that we create and place our mark upon. But my conclusions are different from those which we so far have heard from official Social Democrats.

I am pleased with the coming debate, because it will bring forth viewpoints which are worth being taken very seriously. I will therefore, as a starting point for this debate, permit myself to ask questions which I believe must be preconditions for the decisions which we will make:

"Have we something to defend?"

"Have we an enemy?"

"Can we manage the task alone?"

"Who will help?"

9287

CSO: 3613/133

## DEFENSE MINISTER ENGELL REJECTS LEFTISTS ON PLANNING PANEL

Copenhagen BERLINGSKE TIDENDE in Danish 1 Apr 84 p 14

[Article by Lisbeth Knudsen: "New Concern in SDP Over NATO Millions"]

[Text] Minister of Defense Hans Engell refuses to allow other parties besides the existing defense coalition partners to participate in new coalition discussions.

The Social Democratic Party [SDP] defense spokesman, Knud Damgaard, may have problems in his party with the statement that the 48 frozen millions which should have been a part of Denmark's contribution to missile deployment in West Europe should now be used for a NATO project in Denmark.

Use of the 48 million kroner has not been discussed in an SDP group meeting, according to the party's security-political spokesman, Lasse Budtz. From circles in the Folketing group, which is strongly critical of NATO, there will be demands that the 48 million kroner will continue to be entirely frozen.

The appropriation of the 48 million kroner for NATO's so-called infrastructure was stopped by a Folketing majority outside of the government, and since then the funds have been frozen. Defense Minister Hans Engell has favorably received Knud Damgaard's proposal to use the funds for a NATO project in Denmark under the condition that it is approved by the other NATO countries.

Besides Defense Minister Hans Engell rejects the criticism which has been raised by the radicals over his manner of dealing with the coming defense coalition. The defense minister has decided that discussion of the coming defense appropriations should take place within the so-called 11-man committee with participation exclusively of the coalition parties and the SDP. The Radical Liberals have demanded that the discussions take place in the Folketing.

"It is natural to conduct the negotiations in the 11-man committee together with the parties which make up the existing coalition. When the existing procedure was chosen, it was because the stage was not set for major changes, as happened in 1981. The talk is exclusively of a continuation of the principles, and therefore there is no need for a combined debate on the principles," he said. Hans Engell said that neither would there be negotiations with the Progressive Party.



## SOVIET PRESS ON SUB INCIDENTS GLEANED FOR 'MESSAGE'

## Soviets Given Detailed Information

Stockholm SVENSKA DAGBLADET in Swedish 16 Mar 84 p 6

[Article by Lars Christiansson]

[Text] Soviet leaders received a more detailed report on the evidence that the intruding submarines in Harsfjarden came from the Soviet Union than the Swedish public was given last April in the Submarine Defense Commission's report.

Foreign Ministry press chief Lars Lonnback confirmed that the government presented supplementary evidence to Soviet Ambassador Boris Pankin last October. The government's decision was supported by leaders of the three nonsocialist parties.

But a good many exchanges took place before the Soviet Union received more information about how Sweden could establish the origin of the incursions.

In June 1983, on instructions from his government, Ambassador Boris Pankin asked that a Swedish-Soviet commission be set up to investigate what had really happened in Harsfjarden. At the same time the Soviet Union requested supplementary material in addition to the Submarine Defense Commission's report which could bolster the Swedish accusations.

## Agreed with Government

During the summer Prime Minister Olof Palme sent Foreign Ministry section leader Ulf Hjertson to see party leaders in order to inform them of the Soviet move and hear what their views were as to how the government should react.

All the party leaders agreed with the government that it should reject the demand for a joint submarine commission. They were in favor of turning evidence over to the Soviet Union as long as it only involved things already known in Sweden.

Military leaders studied a draft of the papers the government felt the Soviets should see and stressed that nothing that was not already known to the public should be turned over. The nonsocialist party leaders were also allowed to read through the material before it was handed over to Ambassador Pankin.

#### Exact Match

To supplement the information given to the Swedish public, Defense Staff Chief Bror Stefenson was given the assignment of presenting in an interview further information which the Submarine Defense Commission had been in possession of but had not published.

In STOCKHOLMSTIDNINGEN on 27 September Bror Stefenson gave a more detailed account of the bottom impressions from foreign submarines and how their nationality could be determined.

Stefenson said that the impressions on the bottom from the large submarine that were found close to the tread marks left by the minisubs showed that the submarine had an exterior keel. The marks left by the keel matched the measurements divers took of the Soviet U-137 when it ran aground outside Karlskrona down to the last centimeter. He also stated that the only submarines in the Baltic Sea with an exterior keel are Soviet or Polish Whiskey submarines.

Press chief Lars Lonnback assured SVENSKA DAGBLADET that no evidence had been turned over to the Soviet Union that was not already officially disclosed or made known to the Swedish public in some other way.

But SVENSKA DAGBLADET was not permitted to look at the material that was turned over. Lonnback said the material is secret since it concerns Sweden's relations with a foreign power.

"In addition to a videotape of the bottom tracks they received a lengthy written account containing a generous amount of information on the various proofs that collectively showed that these were Soviet submarines. The signal reconnaissance information was very meager. We did not give them information that was sensitive from a military point of view. The basic principle was to give them material that was open knowledge," a source told SVENSKA DAGBLADET, stressing that the text was prepared in such a way as to make it quite clear that this was the last word on this matter from the Swedish government.

The reason why the Soviet Union requested a joint commission and supplementary material from the Submarine Defense Commission, in the opinion of the Foreign Ministry, is that the Soviet Union wanted--in a politically safe way--to acquire more knowledge about the reasons why they were being singled out.

The gesture of showing willingness to accept the Swedish proof creates an impression of innocence--while at the same time the Soviet Union knew that Sweden would never hand over the most sensitive military evidence, in the view of the Foreign Ministry.

#### PRAVDA Blames NATO Submarines

Stockholm SVENSKA DAGBLADET in Swedish 16 Mar 84 p 6

[Article by Bobo Scheutz]

[Text] Moscow--From time to time the subject of foreign submarines in Swedish waters turns up in the Soviet mass media.

Thus on Sunday the party newspaper PRAVDA pondered the phenomenon and arrived at the conclusion that the submarines that were not found in Harsfjarden and off Karlskrona might be American.

Referring to reports by the American television company, ABC, PRAVDA said that American submarines, including minisubs, constantly and routinely carry out espionage operations in the waters around countries regarded as friendly nations by Washington.

"Western defense experts have acknowledged more than once that the Baltic Sea is full of submarines from NATO and the United States," PRAVDA charged.

The suggestions in Sunday's article represent a new approach to the question which shows, if nothing else, that the Soviet mass media people are at least as baffled as their Swedish counterparts as to what the many submarine violations really mean.

The only thing the Soviet media is quite clear about is that the Soviet Union is the innocent victim of these campaigns that can also be traced back to Washington and Defense Secretary Caspar Weinberger.

"It is no accident that those (e.g. Weinberger & Co.) who want to dredge frightful sensations out of the muddy stream of their own anti-Soviet fabrications choose the Scandinavian fjords as the site of their activities," PRAVDA wrote.

Sweden was praised in Sunday's article and PRAVDA quoted an interview with Foreign Minister Lennart Bodstrom in SVENSKA DAGBLADET in which he said among other things that the Soviet Union had no other aims in northern Europe than to maintain friendly ties with Sweden and other countries.

In the Soviet view it is Sweden's effort to maintain good relations with its neighbor, the Soviet Union, and Swedish neutrality that are upsetting the

Pentagon's plans to make all of northern Europe a springboard for a nuclear attack on the Soviet Union.

#### Soviet Reports Analyzed

Stockholm SVENSKA DAGBLADET in Swedish 17 Apr 84 p 2

[Commentary by Mats Svegfors]

[Text] In contrast to our colleagues in the other Nordic countries, we in Sweden are not accustomed to the kind of political pressure from the Soviet Union that we have been exposed to recently.

In Finland taking the Soviet Union into account is an ever-present reality whenever foreign policy is concerned. An ultimate possibility for the Soviet Union to exert influence is a formal application under the treaty of friendship and assistance that exists between the two countries. Something similar happened in 1961 in the context of the events in Berlin. The so-called note crisis followed. The whole thing was not resolved before a meeting took place between President Kekkonen and Nikita Khrushchev in Novosibirsk on 24 November 1961.

But the whole course of events that ended with the meeting in Novosibirsk had begun several years earlier with an article in IZVESTIA written by the newspaper's Nordic correspondent, Yuriy Golushubov. His description of the government talks then going on in Helsinki was enough to make Finland's ambassador to Moscow, Eero Wuori, send warning signals home to the Foreign Ministry. Golushubov's article began the so-called night frost that culminated 3 years later in the note crisis when the Soviets asked for military consultations.

The Norwegians are even more used to Soviet campaigns. Norway has gone a different way than Finland has. Through the direct affiliation with NATO, there have often been direct open diplomatic confrontations with the Soviet Union. The main starting point for this has been the Norwegians' so-called base policy. This consists of unilateral Norwegian declarations limiting the basing of NATO troops in peacetime.

On a great many occasions the Soviet Union has formally applied to the Norwegian government in an effort to influence decisions on Norway's relations with NATO. And Soviet press campaigns have been a constant accompaniment to these formal steps. In spite of the fact that the base policy relies on a unilateral statement, the Soviet Union has invoked it as if it were a commitment under international law.

Denmark has also been subject to Soviet pressures of the same kind.

In the past Sweden has been shielded from this type of diplomatic or actual pressure. But recently the Soviet Union has displayed an insolent and intensive interest in Sweden.

It is one thing that the Soviet press commented frequently on the events in Gasefjarden and Harsfjraden. After all official Swedish protests had been made.

More noteworthy is the interest that was shown--and gradually escalated--in the period following the publication of the Submarine Defense Commission's report.

An initial and quite remarkable step by the Soviet Union was the proposal for a joint investigation commission that was made after the Swedish protest in April 1983. If the violations themselves were a kind of physical breach of integrity, the commission proposal was an almost equally large breach of diplomatic integrity. It expressed the arrogance of a great power, something that has been repeated in later elements of Soviet policy toward Sweden. The demand that the Soviet Union--the power indicated as having committed the violation--participate directly in a review of the work of the Submarine Defense Commission has few counterparts in the experiences other countries have had with the Soviet Union.

But the pattern in the Soviet policy did not really become clear until the contents of the talk between Olof Palme and Andrey Gromyko this January became public knowledge and Alexander Bovin--political commentator in the Soviet government organ, IZVESTIA--had a wideranging article published in DAGENS NYHETER on 27 March. Later came the interviews with Lev Voronkov, the Scandinavian expert at the Institute for International Economics and International Relations in Moscow.

With regard to the talks between Palme and Gromyko, one thing is especially striking; the Soviet foreign minister is openly critical of the Swedish government. And the reason given is that the demand for a Nordic nuclear-free zone has not been pursued with sufficient energy. The talks were not primarily an opportunity for Sweden to express its concern over the Soviet Union's behavior. On the contrary. At least in the context referred to, the Swedish prime minister was given a dressing down.

That is worth noting and considering in itself. But the content does not really become clear before Gromyko's criticism is compared with Alexander Bovin's article, an article that--if not in form then in substance--comes close to being a kind of unofficial Soviet foreign policy.

Bovin's discussion led to the Nordic nuclear-free zone and the Palme Commission's arguments on mutual security. Bovin placed such a policy in contrast to "people, political circles...who do not want an improvement in Soviet-Swedish relations and are prepared on every occasion to criticize the government for 'giving in to the Russians'" and the policy pursued by these forces. Following conversations with Olof Palme, among others, Bovin feels



that politicians and those active in public life--by implication, the Swedish government with Olof Palme at its head--show no interest in dealing with the "people" and "political circles" responsible for the anti-Soviet policy. In particular Bovin demanded that the government silence the military, which according to Bovin is the primary source of "all the sensations about Soviet periscopes." Since in contrast to the press the military apparatus is not "free," the government should be able to manage what is said by military sources.

The pattern is filled out by Voronkov's TT interview and the statements he makes in the newspaper TEMPUS.

Once more the subject of the Palme Commission and the Nordic nuclear-free zone is brought up. It is obvious that Voronkov puts great emphasis on these elements in Swedish foreign policy as the way to improved relations with the Soviet Union.

Voronkov was very frank when it comes to talking about what is involved. No more reports on violations by submarines should be presented. Any more reports of this kind, even without naming nationalities, will be regarded as an indication that "the internal political aims of some groups" are more important than "maintaining friendly relations with the Soviet Union."

The Soviet Union has asked Olof Palme for silence concerning submarines in general. Instead, Olof Palme should step up discussions on nuclear-free zones and mutual security.

If this does not happen, the "most stable foundation for good neighborly relations" will be threatened.

The Kremlin is engaged in speaking plainly. There is good reason to await the end of the month with bated breath. At that time the military will present a first report on the latest submarine hunt in Karlskrona. The Soviet Union has been very explicit about what this report should--or more accurately should not--contain.

#### Socialist Party Organ's Views

Stockholm SVENSKA DAGBLADET in Swedish 19 Apr 84 p 2

[Editorial: "AFTONBLADET and the Soviet Union"]

[Text] In a signed article on this page of Tuesday's issue of SVENSKA DAGBLADET there was a discussion of what message should be read from various Soviet commentaries on Swedish foreign and security policy. The article referred to the talk between Olof Palme and Andrey Gromyko early this year, Alexander Bovin's article in DAGENS NYHETER on 27 March and Lev Voronkov's interviews with TT and the newspaper TEMPUS last week.

The premise was that one really could--and should--look for a message in these more or less official Soviet commentaries.

In a commentary yesterday--under the somewhat strange headline, "Conservatives Need No Proof"--AFTONBLADET (Social Democratic organ) said that the writer interpreted "highly traditional Soviet behavior in the international debate as an advanced intrigue against Sweden." The message has nothing to do with the Swedish submarine hunts or the discussion of these incidents. The Soviet Union is merely reacting to the "incontestable hostility to the Soviet Union that is spreading through this country in the wake of the mysterious submarine hunts," according to AFTONBLADET.

In one respect--and a very important one--AFTONBLADET, under its political editor in chief Yrsa Stenius, apparently is in agreement. Alexander Bovin and Lev Voronkov are not Soviet counterparts of Svante Nycander and Daniel Tarschys. "It is quite correct that the Soviet analysts were informing Sweden about something in their usual way," the newspaper wrote. When Bovin and Voronkov raise their voices, it is the Soviet Union that is talking. SVENSKA DAGBLADET and AFTONBLADET agree on that point.

But AFTONBLADET does not hear the same message as SVENSKA DAGBLADET.

There is no real reason to argue about what has been said in the articles and interviews. Anyone can go to the sources and find out.

Most who choose to do so will be astonished at AFTONBLADET's very special form of awareness. Bovin is very explicit in his instructions to the Swedish government about silencing the military.

Neither do Voronkov's statements give much room for interpretation. With respect to the submarines, he put it like this: "Either this involves vessels from other countries or nothing at all. If real vessels are involved, you must show proof. If there are no vessels, it is obvious that the internal policy aims of certain groups in Sweden are more important than maintaining friendly relations with the Soviet Union."

Bovin's statement on this is that "at the very least the officers should be asked to present clear proof that there really was a fire before releasing the smoke."

The message is the same. The Swedish government should not allow more submarine reports of the kind the Commander in Chief presented in September and December of 1983. And of course this applies even more to reports of the kind produced by the Submarine Defense Commission on 26 April 1983. Such reports are interpreted in the Soviet Union as showing that the aims of "certain groups" and "political circles" are more important than "friendly relations with the Soviet Union."

There is no bias in reading what is there. We can clearly see what the Soviet Union is "informing us of in the customary way."

## Swedish Psychological Reactions Studied

Stockholm SVENSKA DAGBLADET in Swedish 13 Apr 84 p 2

[Commentary by Ann Rehnberg]

[Text] When the Defense Research Institute (FOA) studied the reactions of the civilian population of Hasslo in the middle of the most hectic period of the Karlskrona submarine search, the results were not unexpected. Most found the diffuse threat represented by the invisible intruder hard to handle. People felt abandoned with no chance of influencing the course of developments.

At the same time the military personnel taking part in the action were also studied. This report has now been analyzed and the final conclusions are unexpected, to say the least, with regard to the different category represented here. In general it turned out that the soldiers who were interviewed expressed almost exactly the same fears and felt roughly the same degree of passivity in the face of the threat as the civilian population (with some exceptions).

The investigative method used by FOA is called "the wheel" and in a nutshell is based on measuring how the soldiers "experience the situation," to put it in common terms, from a personal point of view. Through a detailed questionnaire, which is also used internationally, a picture is given of the psychological and morale preparedness of those interviewed.

Through the study an attempt is made first to create clarity as to how real the personal perception of the threat is and how strongly the individual feels about the threat. Then comes the question that is most important for the individual's chance of survival in a war situation: how can the threat be affected?

This can also be expressed in these questions: How can I avert the threat? Can I get rid of it?

There is no doubt that the soldiers interviewed were keenly aware of the threat. But when it came to involvement, the picture was quite different. There was some involvement, of course, but to a lesser extent than the amount considered normal (on an international scale). And most alarming--in general the individual perception was that the person had little chance of dealing with the threat.

Three categories of soldiers were interviewed: relatively newly-enlisted draftees, draftees who had gone through basic training and special forces, for example special strike forces. The last group showed a higher degree of preparedness, both practical and psychological, in the face of the threat.

The big question that representatives of the armed forces are grappling with today is this: What is the real combat capacity of our draftee army? When

all is said and done, war represents a situation where this very capacity is the only deciding factor.

The group of FOA researchers who made the study say that on the average Swedish soldiers lack aggressiveness. This is thought to reflect society's attitude. Sweden is not distinguished for solving conflicts aggressively either on the personal or on the organizational level. Ben Shalit of FOA, who designed the "wheel," explains:

"Of course this is a hypothesis and I do not think things should be changed by making Sweden more aggressive. But something must be done to channel soldiers into more aggressive behavior."

Ultimately it is a question of how much a person is prepared to fight for his own (and his country's) freedom. This calls for a strong feeling of identity or integrity. International studies have shown that these feelings are stronger the more identification a person feels with the group he is fighting with.

"In peacetime one can see this by studying sports fans, for example," said Ben Shalit. "A work place with some solidarity can also develop aggressive tendencies in a positive direction."

The "wheel," adapted to Swedish military conditions, revealed that the highest combat readiness is found in small units where training has been based on independent action and decision-making. The lowest level is found in larger units such as infantry forces and the like.

Sweden has not been at war for more than 200 years, a fact that is often referred to in this context. Some people believe that if war does become a fact, the necessary aggressiveness will turn up as fast as an express letter in the mail. Others are less optimistic.

They feel that the defense system in Sweden has become more and more adapted to the requirements of society instead of to those of war.

Whatever the reasons for the lack of combat capability, a diminishing "territorial behavior" can be detected in the recent FOA study.

"The need to defend one's own territory is characteristic of both animals and people. The idea is to strengthen one's own identity, whether one identifies with oneself, one's group, one's family or one's country," Ben Shalit said.

This of course does not mean that in order to produce an appropriate defense system one has to create a nation based on some kind of military dictatorship. The ability to meet a hostile attack aggressively in an effective way depends on entirely different factors than ideological ones. The main element and the most primitive one is that an individual really perceives an immediate and personal threat to himself and the group he belongs to.

In other words the connection is fairly obvious, or as people in the military often put it, in war only the simple things are possible.

## HANSENNE ON EFFORTS TO CREATE MORE JOBS

Brussels LA LIBRE BELGIQUE in French 29 Mar 84 p 1,4

[Interview with Michel Hansenne, minister of employment and labor, date and place not specified]

[Text] The government has already said that the "net" proceeds, once the tax office and the ONSS [National Office of Social Security] have taken their share, of eliminating the index-linking in 1984, 1985 and 1986 in the private sector could be used to finance new jobs by redistributing available work. The minister of employment and labor, Mr. Hansenne, wants to move quickly. Through the use of decrees submitted this past Friday to the council of ministers he already wants to begin discussions between employers and union members in firms.

Why? "Since time and money are scarce, optimum solutions must be found that would create the most jobs." In terms of "producing" jobs, Hansenne does not believe in a general reduction in working hours of 45 minutes per week. Rather, he believes in greater, voluntary reductions that are better suited to businesses and that would go hand in hand with changes in the workweek and a corresponding creation of jobs.

This desire to encourage "business cooperation" somewhat short circuits the rite of cooperation between labor and management. In any case, an appeal has been made to business owners and union members.

Hansenne told us that at first it was planned for the funds from eliminating the index-linking in 1984 to go to the Treasury, in 1985 to Employment (with the cooperation of labor and management) and in 1986 to Treasury. To the extent that it was understood that the state would be responsible for tax payments and ONSS contributions, the available balance was rather small. Hence the first realization: money is scarce.

Our country has one of the highest unemployment rates in Europe, but with one of the shortest workweeks.

Second realization: time is scarce and valuable. We must, therefore, economize both time and money. I believe in reducing the workweek and in hiring based on that reduction. But each time minutes are lost and they are not used for employment, this lost time is never recovered. The same holds true for money.



A 2 percent salary reduction converted into time could reduce the workweek by 45 minutes. I am not sure that such a solution is a good thing for every business and over the course of 1 year I don't know what a nationwide reduction of 45 minutes would produce in terms of jobs, but it would probably be necessary to reduce the workweek by a greater amount.

### 36 Billion

I would like to encourage labor and management to find solutions that are the most economical in terms of time and money and that create the most jobs. That is why I am encouraging each firm to find "the" right solution.

I think that we must try our hardest to encourage a reduction in individual work time without reducing the overall work time of the firm. Otherwise we will lose jobs or money. I think that reduction and reorganization of work time go together.

What is planned? We have put together a "collective pot" from the net balance of eliminating the 1984, 1985 and 1986 index-linking. This represents, I believe, some 29 billion; of which 12 billion are left once taxes and the ONSS are taken care of. So, 36 billion in all. This entire amount would be put at the disposal of firms which would reduce the workweek and, as a result of that, open up new positions that we would pay for.

As an example: a firm could reduce its workweek from 37.5 hours to 36 hours (at 4 days X 9 hours) but still have a 5-day week for the firm as a whole. The 1.5 hour reduction corresponds to 4 percent. We could pay for those jobs. This in turn would bring additional receipts into the tax office and the ONSS and would result in reduced expenditures for unemployment insurance.

### 30,000 to 40,000 Jobs

More importantly, I think that in heavy industry conditions are ripe for introducing an additional shift. Reducing the workweek there would have maximum impact on employment because the job stations could not be unattended and on the well-being of workers since working conditions are not good (iron industry, glass works, petroleum, cement, etc.). If an agreement were reached it would mean 30,000 to 40,000 additional jobs in these industries alone.

And it is possible because using net salary reduction as a means of creating jobs can be planned ahead (a firm which, as of 1984, wants to reduce the workweek by 4 percent and hire as a result of this does not have to wait for 1985 to eliminate the second 2 percent index) and also extended (if a firm, in order to introduce an additional shift, wants to reduce the workweek by 8 percent and hire as a result of this, we can pay for this 8 percent, which is well above the 3 X 2 percent of eliminating the index). And it is possible to do this now; the decrees are ready. It will have to be discussed quickly.

## Paying for the Jobs

[Question] But collective bargaining agreements run through the end of 1984 and are linked to using the 1983-1984 reduction for employment...

[Answer] There is a new 2 percent reduction, therefore a new situation.

[Question] The solution of eliminating index-linking hardly favors businesses.

[Answer] The corresponding jobs that are created will be paid for.

[Question] But how long will the government pay for these jobs? Three years?

[Answer] Since there will be no compensation for the salary reduction, I believe that a government, no matter what kind of government it is, should think about the equilibrium between "no compensation" and "maintaining employment." I don't see how we can let these jobs that are created and supported by the government be lost.

[Question] You have hardly mentioned the possible interprofessional agreement. Is it not important?

[Answer] Labor and management will have a lot of items on the table. Will the 1983-1984 agreements that created jobs by salary reduction be extended? In 1985 and 1986 can salary increases be granted that are not linked to the index? Is it possible to have a general agreement on reducing the workweek?

I want to have these discussions quickly and begin negotiations in firms. Every time there is a chance to hire even 10 unemployed individuals I will not hesitate. I am launching a distinct appeal to employers and union members.

The Tradition: 500,000 Unemployed

[Question] By launching discussions on this scale aren't you afraid of creating distortions among firms?

[Answer] The situations already vary from firm to firm. Besides, nothing will succeed if we try to put everyone in the same box.

[Question] These firm-by-firm discussions before "labor and management cooperation" are unusual. It is generally thought that you must first try to have an overall framework and then go back to the sectors and firms.

[Answer] This "tradition" has resulted in 500,000 unemployed.

[Question] If cooperation between labor and management fails, the government seems to be committed to doing something for employment. Perhaps by financing programs to absorb unemployment?

[Answer] I prefer to see actions succeed in firms rather than to finance such programs. Only the world of business can offer a wide variety of jobs. Programs for absorbing unemployment favor certain jobs: mother's helpers, recreation leaders, intellectual professions. But a welder or a marketing professional can find their niche only in a firm. I prefer that the money from the 1984-1986 net salary reduction go back to the firms for real jobs.

#### New Advantages

[Question] You were thinking about granting tax advantages now reserved for employment to Hansen experiments in reorganizing work.

[Answer] The concept has been accepted, with three conditions: the experiment must involve all the workers in the firm, the reorganization of the workweek must involve a sizable reduction in the individual workweek (for example, 34 hours/week), but it must not lead to decreased use of the productive infrastructure.

In general, I think that the unions must understand that we can no longer simply speak in terms of reducing the workweek without changing society. And I think it is better to plan discussions than to wait for the government to intervene.

9720

CSO:3619/56

## INADEQUATE UNIVERSITY STRUCTURES HAMPER S&amp;T INNOVATION

Duesseldorf WIRTSCHAFTSWOCHE in German 13 Apr 84 pp 62-84

[Part 1 of Series of four articles by Rainer Burkhardt: "Innovation in Germany--the College as Whipping Boy"]

[Text] There is an unaccustomed euphoria spreading in the German research and development community. But how good is the German innovation system really? In a four-part series, WIRTSCHAFTSWOCHE editor Rainer Burkhardt describes where the obstacles are to be found on the long way from basic research to the market and how they can be removed successfully.

We are once again somebody in the world of high-level research and technology. A fresh spring wind of innovation blows in the newspaper columns, in the public relations advertisements of German capital goods and equipment producers, and in the speeches of German economy managers and science managers.

Just 2 years ago talked about as senile steel colossus, the Hoesch Concern in Dortmund at the Hanover Fair, in a rather expensive multi-laser-show, introduced its "concept of the future which is already taking hold." Here is what that means: technology today and tomorrow--Hoesch is right in the swing of it and does not even shy away from "alternate energy production" from sunlight and wind power. This is what the forward-looking realization sounds like: "What is now in demand consists of new technologies which are adapted to the requirements of the future and the needs of mankind."

Newspaper readers who are tired of constant tales of woe now detect confidence in future progress not only in advertising messages but also in headlines such as these: "Germans and Saudis want to realize old dream"; domestic research spirit and DM55 million--including 20 million from Saudi Arabian treasuries--are to turn the dream into reality, that is, to obtain hydrogen on a large scale from water with the help of sunlight and solar heat; this hydrogen can once again be burned into water with oxygen and can thus be used as environmentally safe and almost inexhaustible energy source.

There appears to be no room for doubt about the force of innovation where scientists and engineers commit themselves to such bold projects. Among these self-confident people in the FRG is Karlheinz Kaske, chairman of the board of the famous enterprise Siemens. He knows of "no field" in which the Western Europeans "would have to feel hopelessly beaten" by competitors from Japan

and the United States. On the contrary: "If we correctly employ our specific strong points then we will have a good chance of continuing to gain ground."

Even the German machine-building industry--which seemed to be hypnotized by the Japanese snake like a little rabbit--cannot help but change its mood. "We are still at the top with the rest of them, along the entire front," said Otto H. Schiele, president of the VDMA (Association of German Machine-Building and System Construction, Registered Association). He maintains that the weakness in microelectronics has been corrected. Even Bernhard Kapp, chairman of the Association of German Machine-Tool Factories, views his branch, which is hard-pressed by the Japanese, through rose-colored glasses: "There can be no talk of us being behind."

And where there may still be some trouble here and there in spite of all of the optimism, the BMFT (Federal Ministry of Research and Technology) is standing by, ready to boost the pioneering spirit with the silver lining of venture capital through new programs to promote information technology, production automation, or materials research.

It is no wonder then that professor Max Syrbe, the new president of the Fraunhofer Society, waxes poetic when it comes to the promotion of applied research: "The springtime of technology has its swallows."

But does one swallow make a spring? Are we really somebody once again in the international race for new discoveries, methods, and products? The sudden turnabout from depressed whining to manic flights of fancy looks somewhat exaggerated. We are still just as far away from a new golden age of German research and technology as we were before from the feared total darkness.

German natural science basic research--which, during its heyday during the 1920's was unchallenged in its leading position worldwide--long ago lost its leading position to the United States, in spite of top-level achievements in individual fields.

During the 1970's, West German universities only produced two Nobel Prize winners, that is, in 1973 Ernst Otto Fischer who today is 65 years old and 1979 Georg Wittig who is now 86 years old; both of them were chemists. The Austrian behavioral biologist Konrad Lorenz was also of retirement age--he is 80 years old today--when he, in 1973, as so far the last German-speaking researcher from the Max Planck institutes, which are included among the science elite, was awarded the Nobel Prize. Among the 1,500 natural science studies most frequently quoted since 1961, we only have 29 contributions by German scientists, including, from the year 1932, a classical work by the biochemist Hans A. Krebs who emigrated to Oxford because of the National Socialists and was awarded a Nobel Prize in 1953.

But the FRG so far need not hang its head in shame, when it comes to basic research--and never mind Nobel prizes and quotations--before the western European neighbors and certainly not before Japan, the technical-scientific archrival, who long neglected this field.

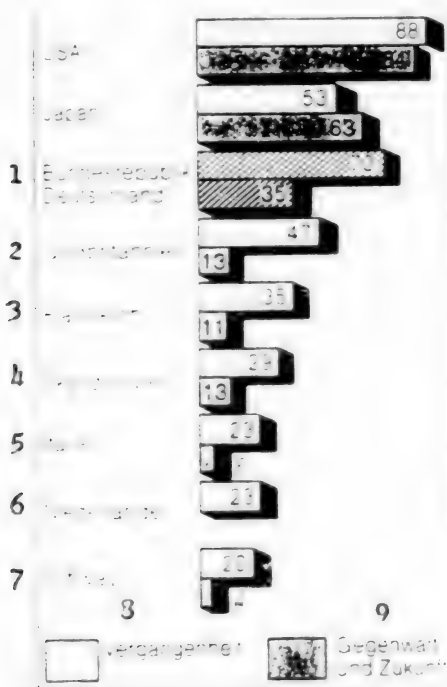
In the innovation competition on world markets, on the other hand, the Far Eastern island country, in spite of the more modest discovery potential, definitely outpaced West German industry not only in amateur photography and



entertainment electronics but also in conventional and, worse than that, future key technologies. Among the leading technology nations, the FRG only holds third place, behind the United States, the leader, and Japan, according to the judgment of 208 top managers of the biggest European enterprises from 16 countries.

Of course, this means that West Germany's economy is like a one-eyed king among blind Europeans. But the gap to the two leaders is just as big: the WALL STREET JOURNAL and the international business consultant firm of Booz, Allen & Hamilton conducted a survey in which 84 percent of the managers described American industry and 63 percent described the Japanese competition as an important technology source for today and tomorrow; on the other hand, just about 35 percent picked the FRG in this connection. West Germany's image decline from the golden past is profound: looking back, twice as many European top-level managers still credited West Germany with a leading role (see graph).

Germany, the Loser--Main Sources of Economically Relevant Technology as Judged by 208 European Top Managers (in Percent)\*



Key: 1--FRG; 2--Great Britain; 3--France; 4--Scandinavia; 5--Italy; 6--the Netherlands; 7--Switzerland; 8--Past; 9--Present and Future; \*--Multiple responses possible. Source: Booz, Allen, WALL STREET JOURNAL EUROPE.

West Germany is believed to be particularly far behind in knowhow concerning the future main growth areas, that is, EDP, electronics, telecommunications, robot engineering, and biotechnology. The former economic miracle country comes out comparatively well in traditional processing, in system construction, and in metallurgy. But even in the chemical industry, Germany's showcase

branch, the Japanese are already credited with a slim innovation lead (see table).

#### Germans Only Get Bronze Medals

Present and future research nations in critical technologies as judged by 208 European top managers (percent) (1)

3	Technologie	USA	J	F	I	GB	SK
	EDV	92	66	16	1	13	16
4	Elektronik	93	93	3	6	3	13
5	Telekommunikation	91	64	9	-	9	14
6	Roboter	90	95	15	8	10	21
7	Biotechnik	100	50	-	-	17	25
8	Chemie	100	50	5	5	11	17
9	Fertigungstechnik	85	85	6	9	18	9
10	Anlagenbau	100	80	10	-	20	40
11	Metalle/Legierungen	69	88	13	6	13	25

Key: (1) Share of respondents who consider a certain specific technology to be critical for their enterprise and who believe that the particular country is a leader in this respect; multiple responses possible; (2) Scandinavia; 3--Technology; 4--Electronics; 5--Telecommunications; 6--Robots; 7--Biotechnology; 8--Chemistry; 9--Production engineering; 10--System construction; 11--Metals, Alloys; EDV--EDP. Source: Booz, Allen & Hamilton.

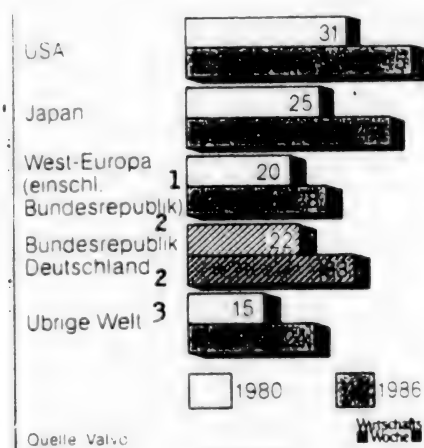
This pessimistic estimate of the German spirit of inventiveness does not seem to be clouded by national pride and envy but rather by a Japan complex--after all, in spite of massive government promotion programs for certain new technologies, France and Great Britain come off even worse.

The feeling that the FRG in past years lost contact with key areas or is at least threatening to miss the bus here is backed up by hard facts:

Compared to the GNP, the Japanese in 1981 consumed about twice as many integrated circuits and the Americans consumed two-thirds more than the West Germans. "The ratios have changed little to this very day," thinks Ernst Hofmeister, manager of the structural components research division of Siemens AG [Incorporated]. The share of microelectronics in the domestic structural components requirements will rise of course but according to forecasts of chip producer Valvo (Philips), it will be definitely behind the American and Japanese figures in 1986 likewise (see graph below). But the microelectronics content increasingly determines the capacity and quality of a large number of capital and consumer goods.

## Microelectronics Gap

Microelectronics share out of structural component requirements (percent)



Key: 1--Western Europe (including FRG); 2--FRG; 3--Rest of world. Source: Valvo.

But the situation looks even stickier in the case of German integrated circuit production: according to surveys by the Gnostic Forschung GmbH /Limited Liability Company/ market research institute, it covered around 60 percent of the domestic demand in 1982. The United States achieved 113 percent and the Japanese even 123 percent domestic supply. The surpluses wound up for the most part in Europe. During the same year, exports of Japanese microchips to the FRG went up 57 percent while, conversely, Japanese integrated circuit imports from Germany shrank by 25 percent. The most recent federal government information technology report also points up the "greater danger of dependence on foreign knowhow"--perhaps during times of shortage such as now or in the case of politically motivated export restrictions by the United States government.

The ten most important suppliers of professional microcomputers--in other words, those in the price range of DM4,500 and up--in addition to the dominant United States producers included only two German enterprises, that is, Triumph-Adler and Taylorix, with a total of 8 percent of the market. Domestic EDP producers rank far down worldwide especially in the fastest-growing segment of computers with microprocessors. Among German exporters, the EDP systems and office machines branch--a growing segment--lags far behind; in 1981 it was in 13th place.

An analysis of patent applications filed with the German, Japanese, and United States patent offices is causing worry about Germany's future in microelectronics and important fields of application such as big computers, office equipment, or production automation systems. The Japanese are on the advance and are already out front in several fields, for example, in (television) image transmission. Erich Haeusser, president of the German Patent Office, therefore recently, in addressing economy and science managers, demanded "special efforts" so that the country may continue to be technically competitive.

The FRG is also on the defensive now in a second key area, the new molecular and microbiological synthesis methods.

Judging by the number of pertinent publications and patents, German research and technology must also catch up above all in molecular genetics (the basis of gene manipulation), where the United States clearly dominates in research, as well as in industrial biotechnology and enzymology, where Japan claims leadership in practical application engineering. This is also true if one looks at the differing population figures as well as the Japanese custom of also quickly publishing and patenting partial results (see graph below).

The United States can call upon the biggest and most efficient research capacities at the universities and a large number of newly-founded biological enterprises.

But the Americans--who are convinced about the enormous future chances of modern biotechnology--are already beginning to tremble in the face of the Japanese threat. The tempo at which the East Asians are conquering this field is ghastly in their view. In 1982, 175 enterprises in Japan were working on biotechnology research, 700 percent more than just 10 years earlier. And 157 out of 200 Japanese chemical enterprises surveyed are using living organisms or their active substances, for example, enzymes, in a specifically goal-oriented manner, in order to make or convert products or they want to do this shortly. According to a recent survey, the Japanese economy expects that 10 percent of all chemical products will be produced through biotechnology in 1990 and as many as 30 percent by the end of the millenium.

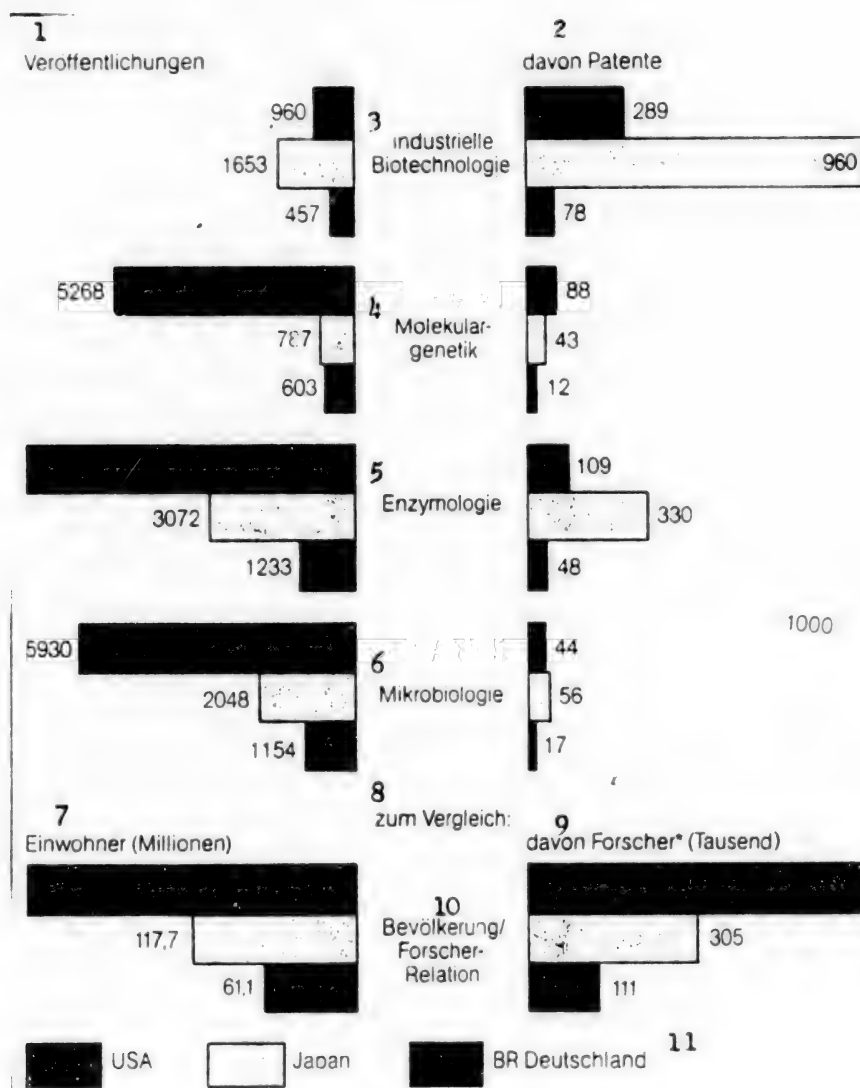
On the other hand, "German industry in recent years failed to develop new biotechnology processes or to market new biotechnology products," criticized professor Hermann Sahm, director of the IBT (Biotechnology Institute) at the Juelich KfA (Nuclear Research Plant).

Here is the result: "While Japan in 1979 already earned DM6.6 billion through antibiotics--about eight times as much as the FRG--Bayer AG today purchases penicillin for semi-synthetic penicillins from Gist-Brocades in Holland." This former yeast factory today is among the most important European biotechnology enterprises, just as the Danish Novo Industri A/S which, in the case of insulin, in the meantime has overshadowed Hoechst AG, which used to be a leader in research, not only on the European market but also overtook as product and method pioneer.

Sahm knows several other German biotechnology weak points: "Single-cell albumin is being made abroad today." A method--which was developed in this connection by Hoechst AG and its system construction affiliate Uhde GmbH, with millions from the Federal Research Ministry, was unable to prevail against a competing, more economical system from the British chemical industry giant Imperial Chemical Industries (ICI). Finally, according to the professor from Juelich, West Germany is buying "bioreactors from Switzerland or Japan."

The microelectronics and biotechnology sectors are not the only fields of innovation in which the FRG does not yet have or no longer has a strong hold, in spite of partly internationally recognized top-level achievements. German industry suffered more losses than it can afford for the future on world markets also in industrial high-performance ceramics, in laser technology, in solar energy, or in environmental engineering.

**FRG, the Bio-Baby**  
**International Comparison of Biotechnology Publications**



**Key:** 1--Publications; 2--Including patents; 3--Industrial biotechnology; 4--Molecular genetics; 5--Enzymology; 6--Microbiology; 7--Inhabitants (millions); 8--For comparison; 9--Including researchers\* (1,000); 10--Population/Researcher ratio; 11--FRG; \*--Natural scientists and engineers. Source: Microbiology Institute, Muenster University, CHEMICAL ABSTRACTS, January 1982 until September 1983; 1981 Factual Report on "Bundesbericht Forschung" /Federal Government Report on Research/.



The annoying thing here above all is that these are technologies which--as it says so nicely in the Hoesch advertisements--"can be adapted to the requirements of our time and the needs of mankind"; in other words, saving fossil energy and raw materials, preventing or reducing damage to the environment, fighting diseases, and help improve performances and products. Here we have as yet unexploited opportunities especially for electronics which is still overwhelmingly replacing human labor as a tool of rationalization.

Nevertheless, it is not impossible to catch up with West Germany's competitors. This is indicated especially by those field of technology to which German scientist and engineer pride loves to point in the search for top-level achievements: the construction of the world's most reliable and most economical nuclear power plants--an improvement on American license knowhow--and the linkup with progress in aircraft and space technology.

Indeed, one cannot mistake a certain urge at this time to close critical research and development gaps. Money for the search for new discoveries and problem solutions is again flowing more abundantly: in 1983, research expenditures came to DM46.8 billion and thus reached "a new record level," as was announced proudly in the middle of February by Albert Probst, the parliamentary state secretary in the BMFT. With an increase of 2.6 percent to a figure of DM12.1 billion, the federal government of course contributed only little to this record donation. The states were rather in a mood for kicking in; in contrast to the lean years of the past, they spent about 10 percent more in 1983 with a figure of DM7.7 billion, and the same is true of industry which came up with DM26.3 billion--up 6.2 percent--from its own pocket (see graph below). With research and development expenditures of 2.8 percent of the GNP, the FRG is rather in the lead worldwide together with the United States and Japan. But doubts are expressed again and again as to whether the class of results corresponds to the mass of funds and resources. There are also doubts whether the millions and the billions are being distributed meaningfully and are used efficiently. Along with the financial spending mood we get not only the usual studies on possible weak points in the innovation system but also improvement proposals and initiatives, for example, elite colleges and technology centers, specifically target-oriented combined research between industry and science or risk capital for pioneering projects.

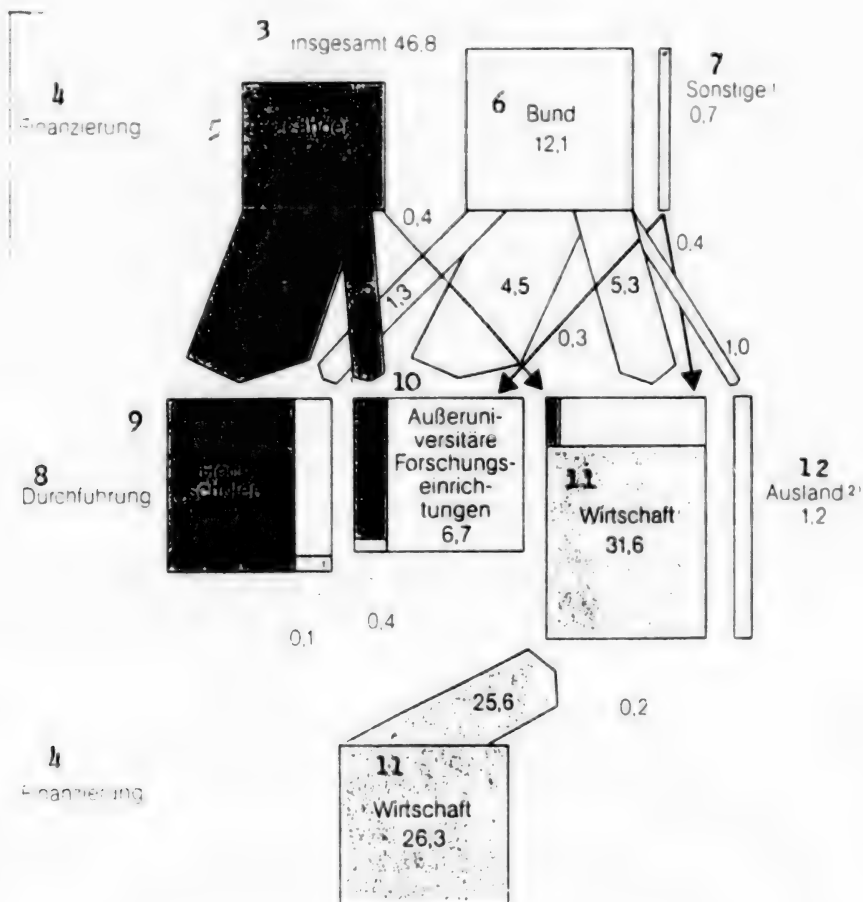
But where should we really make our move in order to come out better in the international technology race? Are teaching and basic research at colleges and research installations outside universities in need of allaround renewal? Are the critical obstacles to be found on the way from there to the area of practical application? Or is our industry--which is entirely too reluctant to take risks, which is resting on yesterday's laurels, and which is basically unwilling to go in for innovations--simply missing the bus?

If we are to believe vast segments of the industrial and economic establishment, then the root of the trouble lies in a misdirected high school and college reform,

which unleashes masses of narrowly-trained high school graduates upon professors who are overloaded with time-consuming committee meetings and paperwork and who on top of this are often little qualified for their jobs,

# Billions for Innovation

Origin and Utilization of General "Research and Development" Budget in the FRG, 1983 (in billions of DM)



Key: (1) In-house funds of private non-profit institutions and funds from abroad; (2) including international organizations; 3--total 46.8; 4--financing; 5--federal states; 6--federal governments; 7--miscellaneous (1); 8--implementation; 9--colleges; 10--research installations outside universities; 11--economy; 12--foreign countries. Source: Federal Ministry of Research and Technology.

which, through ever longer courses of study, turns them into system-criticizing world improvers, unrealistic theoreticians, or walking encyclopedias, but in no case employees who can do a proper job in real life and

which hardly allows even the most qualified professors and assistants to do any research.

The truth of the matter is that the German colleges are having great trouble doing their real job under the heavy burden of the present throngs of students, trapped in bureaucratic structures and regulations, often paralyzed by selfish quarrels among their members, last but not least, the professors, whereas those basic tasks include the following:

To impart technical skills;

To forge the mentality of the upcoming generation of young scientists; and

To define and prepare problem fields for research relatively independently of short-term profit viewpoints.

Skill transfer takes place through certificates. But "anybody who hereabouts has graduated from a course of natural science or engineering study knows something but can do little," was the sarcastic judgment of science writer Richard Sietmann. The 36-year-old physicist studied in Germany and at the highly regarded California state university of Berkeley.

Although unfiltered knowledge transmission becomes meaningless in an age of proliferating specialized knowledge, college instruction has extensively deteriorated into nothing more than "classroom drill."

There is hardly any room for problem solving training which, according to the words of Professor Eberhard Laemmert, the former president of the Free University of Berlin, "equips a person to ask intelligent questions, to make a meaningful selection from a wealth of knowledge, and to use it responsibly."

The reason for this is the same which also brought about the failure of the various beginnings toward shortening the extremely long German study courses, such as the introduction of standard study times with compulsory dismissal or the work of the study reform commissions: the parochial egotism of the professors frustrated all attempts to streamline and coordinate curricula, such as they are quite customary at the highly-touted elite colleges in the United States. Preparatory courses--such as they are given, for example, by the Aachen Rhenish-Westphalian Technical College in Mathematics, to cover gaps in the knowledge base of freshmen--are not the rule hereabouts.

Natural science lectures serve theory and practical exercises are taken care of by the assistant: "Lectures are mostly governed by this idea: the level is high but nobody is up to it"--said Sietmann on the basis of his own experience--"because there is no feedback." The selection of assignments is entirely too often determined much more by accident and by the subjective preferences of the instructors than by technical-didactic necessities.

Some lax customs have crept in at quite a few universities when it comes to the issue of the coveted exercise slips which render them meaningless as

personal success check and turn them into a merely formal requirement for registration for examination. Test papers have also often become a rarity. This eliminates another opportunity to check one's working knowledge, in other words, the elements which one must have ready without a collection of formulas. Problem-solving--the real content of technical or natural science study, for which theories offer only some degree of help as possible solution models--consequently is considered an unpleasant side effect by many students. They simply copy the solutions from the university library. And so they work in an environment of secure knowledge, and so they continue to submit ready-made solutions because the process, which leads to the solutions, is difficult to impart. Where there is no interconnection between individual teaching events, the students only get a feeling of being without any orientation. "Anybody who studies under such chaotic circumstances," commented Sietmann, "is not looking for any scientific virgin territory but manages to find a comfortable niche for himself."

The horizon is furthermore being narrowed down even more by the fact that, due to a lack of clear achievement criteria and success checks in the course of study, relevant knowledge, but not skills, are determined only through the examination system, that is to say, through the examiner. To get over uncertainty as to content, the students often are more inclined to dispute the examiner's way of thinking than the idea behind their special subject--something which is not always identical. The examiner himself only too frequently is merely occupying a niche in his own field.

It is no wonder that creative and independently thinking as well as enduring researcher personalities are rarely developed under such conditions. Munich zoology professor Gerhard Neuweiler does not mince his words: "They are doing research--on a high level--along conventional lines regarding that which is admittedly current and timely in terms of content and methodology. In West Germany, personal guidelines are entirely too much geared toward international recognition and too little toward intellectual independence." This rather uncertain peeking at Nobel Prize lists and quotation counts is something that was also noted by the renowned British science publication NATURE which in 1982 did research on a portrait of the West German research landscape.

Neuweiler offers an interpretation of this kind of conformism: "The general intellectual climate" in science, he maintains, "to this very day has not broken away from the restorative-conserving phase of postwar times." The security blanket of a cultural bureaucracy which, frightened by the 1968 student revolt, took the reins in hand, in place of the old professorship glories, and quite a few lazy committee compromises if anything promoted a rather smoothly working mediocrity.

Another explanation would be that German research, following Nazi rule, had to start all over again and earn the recognition of the international science community. And the generation of those who today are between the ages of 50 and 60 was able once again to catch up in terms of methodology only through guest performances abroad, especially in the United States, where many important German-Jewish researchers had emigrated. "Many of them continued the research topic, which they had worked on over there, in Germany. Only few broke away from that in thematic terms and started something new here which also prevailed internationally," recalls Tuebingen biophysicist Werner Reichardt.



That coincides with Neuweiler's judgment to the effect that domestic science is in many ways producing "good research on an international level. But it does not come up with any top-level achievements in the sense that it develops and pursues new thinking starts or unconventional ideas or introduces any new methods. It is not innovative."

This criticism--summary as it is--may be somewhat too stark. But one thing is certain and that is that the course for technical or natural science disciplines, on which the presently economically attractive technologies of the future are built, was charted at American colleges. That applies from coherent optics--for light-wave conductors in communications engineering--all the way to so-called artificial computer intelligence. German colleges played hardly any decisive part in this; they bring up the rear only too often.

To remedy the shortage of self-confident scientific originality, Reichardt advocates the idea that "we concentrate more than has been the case so far on the care and cultivation of particularly talented and original characters, regardless from what segments of the younger generation they might come and independently of their social-political attitudes and ambitions."

This kind of uncomfortable but productive younger generation nowadays is finding things twice as tough. It has to fight not only against conformist-shaped prejudices but also against fund shortages and a clogged job pyramid which is occupied by relatively young professors from the time when new colleges were built and existing ones were enlarged during the 1970's.

And when the federal states wield the economy ax in their college budgets, it is mostly first the quickly dismissable scientific assistants and collaborators who get hit as well as the basic equipment needed for their work. In the opinion of Professor Eugen Seibold, president of the DFG (German Research Community), individually-allocated DFG scholarships are more and more frequently becoming the last life belt to close out current investigations and dissertations and to keep previously expensively trained qualified young scientists at the institutes.

This so-called standard promotion--which foreign observers, such as NATURE, praised as exemplary--is open to everybody with any topic; the review board members are inclined to make their selection only in accordance with the scientific quality. The growing number of applications however means that the DFG must turn down more and more projects that are worth promoting. This is because it cannot and does not want to reduce or enlarge at random the second main point in promotion, that is, the special research sections installed at the universities for the concentrated exploration of specific problems.

The so-called Meisenberg Program was created in order to help at least the best future professors over the hurdles for a period of up to 5 years. Since 1978, out of around 900 applicants, more than 300 scholarship recipients were selected and they were mostly qualified instructors. In the meantime, one-third of them have been able to repay their scholarships. The Max Planck society, which is devoted to basic research, has established a similar program for the promotion of young scientists.



But the DM13 million from the Heisenberg Program and the corresponding DM20 million from the Max Planck society in 1983 are only a drop in the bucket. The federal government young scientist promotion bill failed amid the federalist authority and money wrangling. And on top of that only relatively small amounts, in the millions, are involved here. "I am sure that there is some deep thinking going on now with typical German thoroughness and in 11 federal states," DFG chief Seibold commented bitterly on this tragedy. "But we should realize that this involves the fate of 2,000 young people and authority and percentages should only be our secondary consideration." The issue here is young blood for research, whether at the colleges themselves or in other public research institutions, in supervisory agencies, or in the economy. Said Seibold: "Along with the young scientists, we get new ideas, methods, and processes."

In biotechnology research, for example, biochemists, microbiologists, physicists, engineers, and pharmacists must work together. Development is progressing so rapidly and so unconventionally "that one cannot decide within the usual budget deadlines whether one should hire five scientific collaborators for DM500,000 or whether one must purchase a big fermenter," explained Professor Friedrich Cramer, director for experimental medicine at the Max Planck Institute in Goettingen. Project plans and personnel plans must be revised on short notice. The real experts are rare and can write their own ticket." To be kept up to date, there has to be a constant and rapid exchange of information, "such as we are not accustomed to having it in Europe. In other words, an auditor must not criticize huge telephone bills or challenge travel costs to the United States for one or several days."

On top of this, the financial action leeway of an MPI (Max Planck Institute) is dimensioned rather magnanimously--quite to the envy of college professors. The telephone and travel budget of a chair is often barely sufficient for a couple of domestic long-distance calls and field trips into the neighborhood.

The MPG (Max Planck Society) was able to achieve new regulations which are more favorable for research only recently. The German Lower House resolved that:

It can use its own earnings to finance additional expenditures, under certain conditions;

Personnel expenditures, current operating expenditures, and continuing allocations can be mutually exchanged to the extent of 20 percent of the particular budget estimates;

Savings can be used in the operating budget to finance investments up to 10 percent of the operating budget;

The federal government, with the approval of the state governments, can authorize additional expenditure items in a particular fiscal year provided they can be saved in other installations.

Highly qualified college scientists are even now attracted to the elite institutes of the Max Planck Society. In 1983 it used up around DM817 million--not including the IPP (Max Planck Institute of Plasma Physics) that at the same time is included among the big research installations--which came mostly from federal and state funds but also from foundation funds and money earned in-house.

It is not only university research but also teaching that suffer from the drain of the best brains. Of course, the MPG is trying to tie the institute and division chiefs in with the nearest university through teaching contracts and thus to make sure that newly developed knowledge is passed on. Conversely, doctoral candidates can also do research at the Max Planck institutes for a limited period of time. But whether this kind of intensive and fruitful cooperation really comes about is a matter of the personalities involved on both sides.

German scientists are much more inclined to be odd than the Anglo-Americans or the Japanese: behavioral physiologist Franz Huber interprets this as a "naturally praiseworthy thoroughness of the German when it comes to digging deeper and deeper into a field and with a method." Beyond that, "they forget to look over the fence, into the neighbor's research garden, which alone often makes it possible correctly to place their own action. Teamwork is also less developed; perhaps they want to shine much more individually."

The British science magazine NATURE detected worrisome resentments between elite-conscious Max Planck researchers and envious university researchers which presumably can be eliminated only by moving more closely together. This should be done last but not least so that the Max Planck scientists, in the well-endowed personnel slots, will not lose any of their productive drive.

Max Planck researchers are not lacking in communication possibilities with leading foreign colleagues. The institutes are tied together with foreign installations in their special fields in the international scientific community via a network of cooperative efforts. Year after year, 2,000 foreign guest scientists visit the Max Planck laboratories in order to do research work there for more than 9 months--roughly as many organizational chart slot holders as the society itself employs.

A Mecca of this kind for example is the Goettingen MPI for biophysical chemistry which was founded by Nobel Prize winner Manfred Eigen. "According to the judgment of international specialist circles, Max Planck president Reimar Luest believes that the IPP in Garching near Munich is "absolutely tops worldwide" in nuclear fusion research, while the same applies to the MPI for extraterrestrial physics in Garching as regards space research. "Far out in front worldwide" are also the MPI for solid body research in Stuttgart or--in catalyst chemistry--the Muelheim MPI for coal research which, by the way, is financed almost completely with industrial orders.

Quite a few full professors are yearning for the past as they look at the Max Planck tradition which calls for the grouping of institutes around outstanding researcher personalities and--if there are no new scientists in a particular field--again closing a division or an entire institute. "The scientist should basically be able to enjoy the same freedom and independence as the self-employed creative artist," is the wish expressed by Wuerzburg biochemist Ernst Helmreich. He is probably thinking of the prosperous private lecturer of the 19th century who pursued his inclinations free of any government financing and management. Returnee Helmreich allegedly found such freedom at the private universities in the United States.

But he is misinterpreting the American and German realities--similar to the call for private elite colleges. Without government research contracts, especially from the military, even such rich private universities as Harvard or Stanford would have to restrict their operations. Mereabouts, private colleges would have to finance themselves without government aid--and the federal states have already made that point in view of their empty treasuries. Professor Max Syrbe, president of the Fraunhofer Society for Applied Research, is afraid that "new elite universities will further scatter the rather scant human resources. Quality in the existing installations could be improved faster if one were to liberate it from bureaucratic ballast."

Something which may have been a sly trick for Federal Foreign Minister Hans-Dietrich Genscher to make himself popular among the free-enterprise-oriented Independents, without hurting the FDP [Free Democratic Party] civil service following, now threatens to become an ideological pseudoconflict between elite education and broadly-based general education. The difficult problem of an internal reform in the colleges is being shifted to the formation of newer institutions. More competition between the colleges is good--and hence the new private universities. But more competition between the existing colleges would be effective more quickly. This however--as NATURE realized--means turning away from the dogma to the effect that all universities should offer everything with the same breadth and good quality. This means that the colleges must themselves look for their own points of main effort--free of any prestige considerations by the federal states. Because, as the then Federal President Theodor Heuss said in a speech in 1954, "there cannot be a German and not even a Swabian physics but we can have outstanding physicists for example in Goettingen if the university attracts them and holds them."

And the American science elite, whom Helmreich praises so much, is not first building on the privileges of freedom but rather on performance comparisons. American professors depend on project subsidies--so-called grants--and consultant activities much more so than the permanently employed or lifetime-employed German college instructors and collaborators. Time contracts, which are reviewed in accordance with teaching and research performance, predominate. Often no salary is paid during semester vacations. Lifetime positions are reserved only for a few select individuals.

A consistent science management in the colleges and in the research disciplines takes care of quality--which is possible in the United States even at a huge state university such as Berkeley. German college management on the other hand is operated as a kind of mix consisting of bureaucratic government and amateurish self-administration.

Who in the United States is to get government subsidies for his research project--perhaps from a natural-science or social-science institute of the Air Force or the Navy--is not decided by the client but by advisory boards drawn from the scientific establishment and from top-level research. They vouch for quality.

At first sight this is also true of the national German distributors of research funds. But, according to Professor Helmreich, who is very much concerned with freedom for scientists, there is a difference here: "The

German scientific establishment is much too scattered and too little cooperative. They are thinking mostly in terms of proportions. Here we might recall the many years of unfortunate competitive inhibition of biochemistry by chemistry in Germany and the lack of cooperation in basic biomedical research with clinical research."

It is obvious to suspect here that this kind of narrow parochial thinking also hinders the conversion of basic knowledge into marketable innovations. Otherwise how could we explain that the Japanese are wooing German scientists and inventors whose knowhow is disdained by German enterprises?

Coming installments: Large-scale research between vanguard and practical application--the insidious aspects of technology transfer--technology enemies in industry--who is afraid of outsiders?--research and development management as a weak point--small teams, big successes.

5058

CSO: 3620/266

## RISING INFLATION BRINGS NEW ROUND OF PRICE HIKES

Istanbul CUMHURİYET in Turkish 8 Apr 84 pp 1, 11

[Text] NEWS CENTER - Even without figuring the "April showers" of price hikes into the price indexes, inflation has risen at a rate of 38 percent.

Wholesale prices rose 11.9 percent in the first quarter of the year, according to the State Institute of Statistics [SIS] release. With prices rising at a rate of 3.2 percent during March alone, the annual inflation figure becomes 38.1 percent.

A 38-percent annual inflation rate is somewhat higher than the increases in worker wages, civil service salaries and base prices. This rate is expected to rise even further when the virtual flood of price hikes which followed the local elections are entered in the indexes.

Most recently, the fare increases on the Istanbul City Lines went into effect yesterday. Earlier reports had said they would begin next week.

According to information from officials of the Maritime Bank City Lines Management, the 30-lira passenger fare on the Kadikoy-Karakoy, Uskudar-Eminonu, Moda-Eminonu and Bogaz lines went up to 50 liras as of yesterday morning.

For the car ferries, automobile fees went from 150 liras to 300 liras, bus fees from 300 liras to 600 liras and fees for other vehicles based on net weight doubled.

The old and new passenger fares on the Maritime Bank City Lines are:

<u>Line</u>	<u>Old</u>	<u>New</u>
Kopru-Bostanci	50	80
Kopru-Adalar	80	150
Bostanci-Adalar	80	150
Adalar-Yalova	80	150
Kopru-Yalova	160	300
Yalova-Cinarcik	50	80
Kartal-Yalova	100	150

Thus, City Lines fare increases range from 60 percent to 100 percent.



Price increases in the energy sector lead the way in rate of inflation. The total quarterly price increase in this sector was 38 percent, fanned in particular by the petroleum price hikes, but the annual rate goes up to 63.6 percent. The agricultural sector, which includes food, had a quarterly inflation rate of 18.2 percent. The annual rate of increase in this sector was 41 percent at the end of March.

The annual rate of inflation at the same time last year was around 32.6 percent. For February, the monthly increase in wholesale prices was 1.6 percent. Thus, the monthly rate of inflation in March doubled that of the previous month.

As known, the flood of price hikes continued day before yesterday, when, besides the hike of around 100 percent in Post, Telephone and Telegraph services, prices virtually "leapt" in iron-steel, cement, coal, milk industry products and animal feed.

#### Inflation Rate

Sector	Annual-%	Quarterly-%
Energy	63.6	38.1
Agriculture	40.9	18.2
Industry	36.0	8.5
Mining	32.0	4.0
Average	38.1	11.9

Note: This SIS index represents price increases in 1.422 items.

8349

CSO: 3554/201

## MUMCU EYES PRICE HIKE IMPACT ON MIDDLE CLASS

Istanbul CUMHURİYET in Turkish 8 Apr 84 pp 1, 11

[Article by Ugur Mumcu in column "Observer": "Has the Token Dropped"]

[Text] There had been no time lately for wonderful price hikes like this, what with all the flurry of election campaigning, but fortunately we're over the elections now and Ozal is raising prices to his heart's content.

Telephone, telegraph, telex and postage rates were raised; cement, iron-steel and butter have gone up. The price of petroleum products had already been raised. The price of a plane ticket has gone up, the bridge toll has gone up. Anything that hasn't gone up yet soon will.

The price hikes are all for the "mainmast [middle class]." The money from the price hikes will be given directly to the "mainmast," thus the "mainmast" will be saved from its crushing burden.

Haven't we seen this before?

Yes, we have. The money accumulated in the banks and brokerage houses took the express route into the pockets of the "mainmast." Now this will be the same...

Does the mainmast use telex? No. In raising the telex rates, the money paid by telex users will go directly to non-telex users. In economics, this is called the "supply-demand-telex curve."

The mainmast doesn't use cement. Contractors use cement. When the price of cement is raised, the money the contractors pay for it will flow to the mainmast. This is known in economics as the "cement-mast theory."

There is only one purpose in raising the Bosphorus Bridge toll, and that is to earn extra income for the mainmast. First, bridge revenues will be enhanced by raising the toll, then the bridge revenues will be fudged off on the workers, civil servants, small businessmen, retirees, widows and orphans, the so-called mainmast.

We have a proverb about "saying uncle" that applies to people coming to cross bridges, so we had better give the bridge business the seriousness it deserves. [The proverb: They call the bear "uncle" until they have crossed the bridge.]

The first step to be recommended would be that the Retirement Fund, Social Security and Independent Social Security members who expect to own the bridge one day not go across it. They "can't make ends meet" in any case, even if, because of this, they do not cross the bridge anyhow.

It would be fine if they went across and contributed to national development by paying a 10,000-lira tab for a drink or two in the Bosphorus restaurants, but it would be considered even more constructive if they sat home playing checkers and thinking about the day when they will own the bridge.

The gasoline hike, likewise, has nothing to do with the mainmast. Does the mainmast have gold teeth, expensive jewelry and charge accounts and drive around in Mercedes automobiles that they should be hurt by the gasoline hike?

The gasoline hike means taking money from the gold-toothed, mustacioed, bejeweled Mercedes driver and giving it to the mainmast, which will take it and buy revenue-sharing stocks for the bridge.

It is senseless for our mainmast citizens to use private automobiles. Why? ...Because with the money obtained from the gasoline hike, the mainmast is going to be a partner in the bridge. Why waste their money any more? They have to hurry and get rid of all their automobiles. They have to, so that the gasoline hike will be a direct burden on the bejeweled Mercedes drivers crossing the bridge.

When Ozal raises prices, the country is happy. When Ozal raises prices, flowers bloom across the country.

The only thing one could criticize in this regard is the price hike on telephone tokens, because when the token drops, people wake up.

...And some of the tokens are starting to drop.

8349

CS0: 3554/201



## EXPERT ON ENERGY NEEDS, SUPPLIES, POLICY CHANGES

Vienna WIENER ZEITUNG in German 11 Apr 84 p 7

[Article by General Manager Engineer Dr Herbert Kaes, OeMVAG [Austrian Oil Administration]: "Thoughts on a Long-term Energy Supply for Austria"]

[Text] About two-thirds of Austria's energy requirements are met by means of imports and crude oil imports provide the largest share. The crude oil price, which also has repercussions on the natural gas price, is particularly important here.

In Austria, the value of imported petroleum or its products rose from 5 billion S [Schillings] in 1972 to 37 billion S in 1982. That comes to 740 percent although the quantitative increase was only 3 percent. The significance of petroleum imports to the economy is also expressed by the ratio between petroleum imports and the gross domestic product; the latter was around 1 percent in 1972 and more than 3 percent last year as far as Austria is concerned. This means that Austria must today export three times as much as in 1972 so as to be able to pay for its petroleum imports.

I basically believe that energy prices (excluding taxes) will remain steady for the next several years; they might possibly go down because nominal oil prices will remain steady beyond the middle of the 1980's, in other words, they will go down in real terms by the rate of inflation.

A radical substitution of petroleum and its products is unthinkable for many reasons. One of these reasons is the presently worldwide indirect guidance of energy prices by petroleum.

It would thus seem that the energy price rises will no longer as forcefully fashion economic development in medium-range terms. Why, then, is the expected economic upswing only so timid?

The reason for this development is probably to be found in the painful but necessary changes in our economic structure. In domestic industry there will have to be a further shift from raw material production to products with a higher added value because the raw material markets are presently saturated and can also be increasingly satisfied by the industries of the developing countries. But even if we manage to take this step, there will be a further reduction in the significance of industry as a whole which in Austria today after all does employ 30 percent of the work force.

This structural change must be mastered along with a second challenge, that is, preservation of the environment.

It is from this scenario of varying developments that we must contemplate the prognosis of Austrian energy consumption during future years.

In 1983, Austria's total energy consumption came to 899 Petajoule, corresponding to 21.3 million tons of crude oil.

The total energy consumption stagnated in 1980, it went up by about 5 percent in 1981 and it went down by 3.1 percent in 1982.

How should we now estimate future developments? Let us assume that, as we go further into the 1980's, there will be an increase of about 1 percent per year and that the increase will be about 0.5 percent per year during the 1990's. The total energy requirement can be broken down into four consumer groups.

For the year 1983 we have the following:

The transportation sector with around 21 percent,

Small-scale consumers with about 31 percent,

Industry and power plants with around 23 percent,

As well as conversion losses which amount to a total of 18 percent.

Let us first of all take a look at the transportation sector, that is to say, above all the consumption of super-gasoline, regular, and diesel fuel. Household incomes available for private consumption or the fuel price are essential for gasoline consumption.

It has turned out that super-gasoline (including taxes) over a period of 10 years did not go up very much in price with an increase of 170 percent in spite of a great quality improvement, as compared to milk, a staple food item, whose prices went up 130 percent. Crude oil on the other hand experienced a price explosion of 1,220 percent. With fuel prices not rising very much more in real terms, one need hardly expect any personal restrictions going beyond the present-day measure. The development of fuel-saving cars however will produce certain effects. Gasoline consumption over the past 10 years went down an average of 20 percent per motor vehicle. During the 1980's, the demand for gasoline and diesel fuel will go up by about 1 percent per year.

The situation of the small-scale consumers is as follows: Prices for heating fuels rose rather painfully during the last decade. Anybody who could did adjust to this development by means of energy savings. The energy demand will therefore in this sector likewise go up only by about 1 percent per year.

There have recently been some major declines in industry's energy demand. Industry's energy consumption will therefore have to be estimated even more cautiously in the future.



The power plant sector is the place where we can anticipate the most significant petroleum substitution in Austria--specifically, with a radical reduction in the present-day use of heavy fuel oil in favor of natural gas and coal.

How is this energy requirement going to be met and what role can the OeMV play here as a national petroleum and natural gas company?

In summary, the previously described demand structure is currently being supplied as follows:

To the extent of about 45 percent with petroleum,

To the extent of about 19 percent with natural gas,

To the extent of about 17 percent with coal,

To the extent of about 14 percent with water power and

To the extent of about 5 percent with miscellaneous primary energy sources.

Here we must make the important observation that Austria's energy supply depends to the extent of about two-thirds on imports. It will hardly be possible to improve this ratio in the future.

Austria's petroleum reserves early in 1983 came to 18.5 million tons and those of natural gas were 10.6 billion cubic meters. Domestic crude oil extraction--which today supplies about 12 percent of Austria's petroleum consumption with a figure of 1.3 million tons--will drop to around 1 million tons or 9 percent of the consumption volume by 1990. Domestic natural gas extraction amounting to around 1.3 billion cubic meters today covers one-third of Austria's consumption. By the year 1990, Austria's natural gas extraction will drop to around 1 billion cubic meters or one-fifth of the consumption volume--unless new major deposits are discovered.

There is probably no question that guaranteeing our energy imports will nevertheless continue to be of decisive significance. Among energy imports, petroleum imports will again be most important also in the future.

In 1982, 73 percent of Austria's production requirements were supplied through crude oil refining at the Schwechat refinery.

Now, what about the natural gas supply?

Austria's present-day natural gas consumption is about 4.3 billion cubic meters per year. With a slightly rising natural gas consumption in industry and by small-scale consumers, we will probably consume about 0.5 billion cubic meters more gas in 1990 than today.

With domestic natural gas extraction going down or leveling off, natural gas imports will gain importance.

In the past we signed a firm contract calling for the delivery of 2.4 billion cubic meters (0°C) of natural gas from the USSR per year; an additional volume of 1.4 billion cubic meters (0°C) was agreed upon starting in the middle of the 1980's. The quantities of imported natural gas from the Soviet Union, which were thus firmly contracted for by OeMV according to available forecasts, together with domestic quantities, right now cover the anticipated natural gas demand into the 1990's.

Summarizing, we might mention some requirements for our energy policy:

First of all, energy policy and environmental policy should be viewed as a unit.

Second, the withdrawal from oil should above all be left to the market forces. Uncontrolled prices for petroleum products are a prerequisite for this. Furthermore, domestic petroleum processing should at last be given more opportunity than has been the case until now to achieve its optimum in terms of costs in a flexible manner through exports, barter deals, and transit deals. Austria is the only European country in which petroleum and product imports, for example, from the EC have been completely relieved of any controls although a rather cumbersome licensing procedure is necessary for exports of mineral oil products.

OeMV will continue very consciously to do justice to its essential role in Austria's energy supply.

In 1982, the output of the Schwechat refinery covered about 73 percent of Austria's oil needs and OeMV supplied about 85 percent of the natural gas yield.

Our main task for the future will be concerned with medium-term and long-term energy assurance, with the emphasis being placed not only on quantitative procurement but above all on the reasonably priced and high-quality supply of products.

5058

CSO: 3620/267

## AMBITIOUS PHOTOVOLTAIC SOLAR ENERGY PROGRAM

Paris ELECTRONIQUE ACTUALITES in French 16 Mar 84 p 1, 3

[Text] At a press conference held in Paris on last 8 March, the French Energy Control Agency (AFME) estimated the investment to be made to support the ambitious photovoltaic solar energy development program it presented, at FF 1.4 billion. The Rhone Poulenc silicon production plant (see Electronique Actualites of last 28 October) is a basic element of the plan.

This program, which extends from research to marketing, includes an industrial plan which projects an increase of the French share of the "accessible" (meaning open to competition) world photocell market from 11 percent today to 15 percent in 1986. That should correspond to a progression of the French photovoltaic industry turnover from 100 million francs in 1983 to 600-700 million francs in 1986.

FF 1.4 billion is to be invested in this program between 1982 and 1986, with 2/3 provided by private companies in the industry and providers of public funds (particularly the MIR (Ministry of Industry and Research) and the PTT (French Post Office)). In 1984 alone, AFME will dedicate FF 78.3 million to this program (FF 57.5 million in 1983).

The agency points out that between now and 1986, the public budget related to the Industrial Development Plan will amount to FF 210 million, the R&D budget will amount to FF 270 million, FF 125 million of which will go for demonstrations and marketing of photovoltaic equipment, and FF 145 million for long term research and development.

AFME projects that the number of people employed by the French photovoltaic industry could rise from about 500 currently to 2000 in 1986.

AFME is also striving to achieve a reduction in prices. The sale price of photovoltaic modules, excluding taxes could go, for quantities on the order of one KWp (KW peak), from 45-55 F/Wp in 1983, to 30 F/Wp (1982 value) in 1986. At the same time, the price of generators should go from 80-110 F/Wp to 65 F/Wp.

The industrial plan is dependent upon Rhone-Poulenc (for the production of solar grade silicon), Photowatt, France Photons, and Solems for the production of photo cells. Solar Force will be involved in the area of system integration.

Rhone-Poulenc is planning to build a silicon production facility which should be operational in 1986 with a capacity of 20 tons/year. The plant will produce not only solar grade, but also electronic quality silicon. It will make use of a Rhone-Poulenc process which provides a yield of close to 100 percent. As indicated by AFME, this process is compatible with the production of electronic monocrystal silicon.

AFME's objective, in this case, is to insure the continuity of the silicon chain within the country, starting with the base material (that is metallurgical grade silicium). Currently, the French photovoltaic industry must import the silicon wafers used in the production of solar cells.

Furthermore, it is expected that during the course of the year, a French process called basalt growth of silicon crystals by ingot casting will go into production. Located ahead of the manufacturing of the solar cells per se, this process, termed POLIX, will result in obtaining, after slicing the ingots, safers that can be used to prepare cells. A multiple-wire saw being developed will be used to obtain wafers with a thickness of about 350 microns. AFME notes that "in 1983, 20 kg ingots were cast and 100 square-centimeter cells with an efficiency of 10 percent were prepared from these ingots. The objective is to reach, by 1986, 100 square-centimeter cells with 12 percent efficiency."

Developed like this process by Photowatt (an affiliate of CGE (Compagnie Generale d'Electricite) and Elf-Aquitaine) in association with Marcoussis Laboratories, another process is to be perfected and industrialized within the photovoltaic plan. This process concerns the production of flat products by ribbon-pulling and is based upon direct deposition of a silicon film on a carbon ribbon used as an intermediate support. Using this process, AFME intends to reach a photovoltaic conversion efficiency of 12 percent by 1986, with 50 square-centimeter cells (in 1983, Photowatt was able to reach an efficiency of 15 percent, but on cells of 4 square-centimeters only.)

It should be noted also that pilot production of amorphous silicon solar cells is planned to begin some time this year at Solems company, an affiliate of Saint-Gobain and CFP-Total (Compagnie Francaise des Petroles-Total). This facility will have a capacity of 250 KWp per year. AFME adds that "in 1983, cells will an efficiency of 7 percent over one square centimeter were obtained in the laboratory; in 1984, cells with an efficiency of 4 percent per 400 square-centimeter should be obtained, with the objective being to obtain cells with an efficiency of 7 percent per 1,800 square-centimeter by 1986."

Another project is the installation this year, of a photovoltaic components and systems test network. The LCIE [Central Laboratory for Electrical Industries] and the CNES [National Center for Space Studies], among others, are currently participating in the development of standardization procedures.

Finally, analyzing the evolution of the photovoltaic market, the agency believes that, in terms of MWp, the world market can be expected to rise to 250 MWp in 1990, as against 17 MWp in 1983. The "telecom" share of this market, alone, is expected to rise from 18 percent in 1983 (for a power of 3 MWp) to 30 percent in 1990 (corresponding to a power of 75 MWp).

As far as the "accessible" world market alone is concerned, it is anticipated that it should increase from 7.5 MWp in 1983, to around 50 MWp in 1990, according to AFME.

6445

CSO: 3519/280



## INTERNATIONAL SEMINAR ON UNDERSEA MINERAL RESOURCES

Paris AFP SCIENCES in French 29 Mar 84 pp 41-42

[Text] Brest--For a full week, 205 specialists from 27 countries debated various problems presented by the exploitation of undersea mineral resources at CNEXO's [National Center for Ocean Exploration] Oceanological Center in Brittany.

Organized by the Study and Research Group on Mineralizations in the Open Sea, "GERMINAL"--in which some 12 international firms are participants--this seminar was intended to take stock of current or future exploitation of the mineral deposits that are found under the sea. These include the sands, gravel and various aggregates that are dredged up in the immediate vicinity of the coasts and the fields of polymetallic nodules that lie some 5,000 or 6,000 meters down, particularly in the Pacific and Indian Oceans.

The first are being used to make up for the shortfall in land quarries' supplying of construction sites for roads, ports, coastal nuclear power stations (like that of Paluel, Normandy), with the second constituting only potential resources of strategically important ores, such as copper, manganese, nickel, cobalt, etc...which will possibly be exploitable provided that techniques are perfected, the economic situation is favorable and the political one constraining.

For both of these, exploitation presents complex technical, economic, legal and ecological problems and often comes up against regulations that are no less so.

The convention on the law of the sea, an international text that only a certain number of countries have adopted, is intended to specify exactly the conditions for exploiting these famous nodules--aggregates of metallic salts that come in the shape of balls or pancakes--which are strewn over the seabed in certain regions and about whose origin scientists have as yet very little data.

The technical difficulties, the astronomical costs encountered in perfecting systems for collecting the nodules, a better knowledge of the relief of the

seabeds on which they lie, have largely tempered, not to say quenched, the enthusiasm of the beginning.

In France, the Atomic Energy Commission (CEA) and CNEXO are continuing the development of a 16-ton "autonomous free pickup" (PLA-2); this, going down to the bottom in free fall, would move around there at 5 meters per second, thanks to an Archimedes' screw system, picking up 200 kilograms of nodules in 20 minutes with a sort of shovel before going up to the 500,000-ton support and storage factory-ship where it would be unloaded before going down again, and where the nodules would be processed to extract worthwhile mineral salt concentrates.

Such a device, obviously unmanned in view of the depths at which it would move about, requires perfect mastery, thanks to electronics, of the various phases of its descent to the bottom, its movements there, and its ascent fully loaded. New equipment, materials and techniques must be devised and designed, with maximum reduction in costs.

The world specialists at Brest, whether from the United States, Japan, the USSR, the FRG, etc, said that this could not be a prestige program like the conquest of the moon.

Each franc invested will be important even if with a project calling for between 8 to 12 billion francs and making it possible to produce 3 million [as published] in dry material from the nodules brought up from the seabed will provide annually [as published], over 25 years, according to a study by Jean Michel Cusset of CNRS [National Center for Scientific Research], 35,000 tons of nickel, 29,700 tons of copper, 4,200 tons of cobalt and 500,000 tons of manganese. The profitability of such a project will indeed depend on the world geopolitical and economic context over the course of time, the price per kilo of these strategic materials on the world market, and the cost of the money borrowed, not forgetting the cost of exploitation.

That is to say that we are not ready to go ahead with exploiting sulphides from the hydrothermal sources resulting from undersea vulcanism at the boundaries of the tectonic plates, whose existence was revealed less than 10 years ago and about which we must learn even more than about the nodules.

9434

CSO: 3519/302

## SECRETARY FOR ENVIRONMENT ON AIR POLLUTION CONTROL GOALS

Paris AFP SCIENCES in French 23 Feb 84 p 4

[Text] Paris--Huguette Bouchardeau, secretary of state for the environment, presented to the cabinet meeting of 22 February a paper on the French Government's objectives with regard to air pollution control.

"Significant results have been achieved both with regard to reducing polluting emissions and improving air quality," states the communique issued at the close of the cabinet meeting. "But important efforts remain to be made: our forests, like those of neighboring countries, are beginning to suffer from the effects of acid rain, the air in our cities is still too polluted. reduction of industrial pollution must be speeded up."

"The government has set itself the following objectives:

--Reducing annual sulphur dioxide emissions by 50 percent between 1980 and 1990. The government will work to get a commitment from the other countries to develop a coherent international policy on reducing transborder pollution.

--Strengthening state supervision of forests and accelerating research on the effects of acid rain.

--Studying, within the European framework, measures aimed at saving energy and coordinating speed limits in conjunction with reducing automobile pollution (lead, carbon monoxide, hydrocarbons).

--Developing the French pollution control industry.

Lastly, the government will encourage public education about all matters linked to atmospheric pollution. The effects of air pollution, both within buildings and in the environment, will be the subject of new research concerning health and plants in particular."

9434

CSO: 3519/301

END

**END OF**

**FICHE**

**DATE FILMED**

21 May 1984